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Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE
(For Department Staff Only)

Issued April 20, 1953
For actions of April 17 & 18, 1953
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HIGHLIGHTS: House committee reported supplemental and independent-offices appropriation bills. Sens. Aiken and Ellender introduced Extension Service consolidation bill. Sens. Aiken and Holland introduced bill for emergency import control. Sen. Humphrey supported USDA beef purchases and asked sale of butter to Army. House committee approved bill excluding certain top officials from leave law.

HOUSE - April 17

1. APPROPRIATIONS. The Appropriations Committee reported without amendment the third supplemental appropriation bill, 1953. The bill includes the following items for this Department: \$3,150,000 (to be derived by transfer from any other appropriations available to the Department) to begin formulation of acreage-allotment and marketing-quota programs on wheat and cotton; \$5,000,000 for construction of timber access roads to permit removal of insect-infested and insect-killed trees in Montana and Idaho; and \$7,500,000 for the rural telephone loan program to take care of urgent cases before July 1.

The Appropriations Committee also reported without amendment the first independent offices appropriation bill, 1954. This bill includes funds for the emergency fund for the President, Budget Bureau, Civil Service Commission, General Accounting Office, General Services Administration, Interstate Commerce Commission, National Science Foundation, Tariff Commission, etc. It abolishes the Federal Personnel Council and transfers its facilities to the Office of the Executive Director, Civil Service Commission. It changes the title of the Assistant Director of the Bureau of the Budget to Deputy Director, and creates two positions as Assistant Director at \$15,000 in lieu of two positions in GS-18.

Following are excerpts from the committee report on the first independent offices appropriation bill:

Automobile purchases. "The committee has denied all requests in the estimates for authority to purchase new automobiles and has asked the Bureau of the Budget, with the cooperation of the General Services Administration, to survey the situation with a view to effecting the transfer of cars now in the possession of agencies where they are not essential, to agencies where there is a real need. Undoubtedly, there are automobiles in the possession of agencies which receive little or no use. There are also many automobiles owned by agencies

which are, or soon will be, in process of liquidation. These surplus cars should be transferred to other agencies where there is a real demand for them."

Business machines. "The committee has eliminated from the bill all money for the rental or purchase of additional electrical business machines. There are machines under contract today which are not used to their fullest capacity. The committee is requesting the General Services Administration and the General Accounting Office to make a survey of this type of equipment with a view to determining whether it is being used sufficiently to warrant continued rental or, where machines are not used full time, to submit recommendations as to the use of such equipment by other agencies, or by activities within the same agency. The committee feels that very substantial savings can be effected as a result of the action indicated."

Budget Bureau. "The committee has included \$3,412,000...for this agency which is...\$49,200 below the 1953 appropriation...in the opinion of the committee, savings in the Office of Statistical Standards could be made with less hardship than in other offices of the Bureau."

Economic Advisers Council. "This agency went out of existence on March 31..., and, therefore, no additional funds are allowed for it in this bill. The Congress has provided funds...for an economic adviser to the President..., and further appropriations for this adviser and his staff will be considered in connection with the Second Independent Offices Appropriation Bill."

Civil Service Commission. "The committee recommends \$16,064,323...which is a reduction of...\$2,639,027 less than the 1953 appropriation... The committee has inserted in the bill a provision to abolish the Federal Personnel Council... The committee is of the opinion...that the duties required of it can be performed more efficiently and with less funds in the Office of the Executive Director where it will be under the direct supervision of the Chairman, rather than as a separate unit..."

Retirement and disability fund: "The question of whether or not a government should create and maintain a 'fund' to support such trusts as, in this case, Civil Service retirement, has been a matter of discussion for a long time. The committee feels, and in this it is supported by the opinions of nationally known accountants and actuaries, that the handling of trusts in government is necessarily different from that of similar trusts in industry. Such a fund, in industry, to be actuarial sound, must be prepared for the liquidation of the industry at any reasonable time. Government cannot, and should not, operate on any such presumption. Government, with its taxing power, should operate on a pay-as-you-go basis, for such expenditures as these retirement costs... The committee has denied the item...for payment of interest...and the item...representing the government's share of the payments into the fund..."

General Accounting Office. "The committee extends its sincere appreciation to Comptroller General Warren and his able staff for the splendid work that it is doing in all phases of Federal auditing and accounting. This year, more than ever before, the General Accounting Office has been of real assistance to the committee in its examination of budget estimates for the fiscal year 1954. The GAO staff has made numerous investigations, reports and recommendations to the committee... The bill contains \$31,981,000...which is a reduction of \$19,000 in the budget estimate" (for business machines):

Buildings. "The committee is of the opinion that the sum requested for the costs of operating expenses of public buildings is excessive and that such buildings should be operated at a very substantial reduction. It has, therefore, recommended a total reduction of \$19,412,560 in this activity." "...the committee has disallowed all funds in the estimates for those duties on the part of Public Buildings Service

which are normally performed by an architect who assumes such costs in his regular commission." "The committee has disallowed all estimates for the acquisition of additional space but has allowed the full amount requested for removing existing agencies to space more appropriate for their needs. The General Services Administration and the Agencies interested in the rental of space in Washington and other areas throughout the country should make a careful survey of additional space which will become available as activities are liquidated or eliminated and it is the opinion of the committee that in many instances the demand for space can be met through utilization of this space and with substantial savings to the government."

Interstate Commerce Commission. "The committee wishes to point out the urgent need for reorganization of this agency. Many additional activities have been assigned to it... During that period there has been no substantial reorganization..."

National Science Foundation. "The committee is much interested in the coordination and elimination of duplication in connection with all scientific research work. It requests the National Science Foundation, during the fiscal year 1954, to exert every effort to assist in the coordination of all Federal research, including the elimination of duplication. In the opinion of the committee, a definite showing of substantial savings in this connection would encourage the Congress to consider the provision of additional funds for scientific research. The bill contains \$5,724,400 for this agency which is a reduction of \$9,275,600 in the estimate, and an increase of \$974,400 in the 1953 appropriation."

2. PERSONNEL; LEAVE. The Post Office and Civil Service Committee ordered reported (but did not actually report) H. R. 4654, excluding certain top officials from the Annual and Sick Leave Act of 1951 (p. D282).

SENATE - April 17

3. SUBMERGED LANDS. Continued debate on S. J. Res. 13, to establish State title to submerged lands (pp. 3355-60, 3369-96).

4. FLOOD CONTROL. The Public Works Committee reported with amendments S. 117, to amend Sec. 7 of the Flood Control Act of 1941, relating to apportioning money received on account of leasing of lands acquired for flood-control purposes (S. Rept. 151)(p. 3362).

5. NOMINATION. Received the nomination of Edmund F. Mansure to be GSA Administrator (p. 3398).

6. FOOD PURCHASES. Sen. Humphrey spoke favoring USDA's recent purchases of surplus beef for export to Greece and donation to the school lunch program, and the Department's proposal to sell surplus butter to the Army (pp. 3368-9).

7. REPORTS. Received this Department's report on obligations incurred in excess of amounts permitted by the administrative regulations, the report on GAO operations during the fiscal year 1952, and GAO's report on the Bureau of Land Management (p. 3360).

SENATE - April 18

8. SUBMERGED LANDS. Continued debate on S. J. Res. 13 (pp. 3408-32).

9. NOMINATION of Frederick J. Lawton to be a Civil Service Commissioner was confirmed (p. 3434).

10. FOREIGN AID; WHEAT. Sen. Humphrey inserted a newspaper article, 3 letters written by him to Secretaries Benson and Dulles and Mr. Stassen, and his statement urging "immediate emergency action toward sharing America's wheat abundance to avert the threat of mass starvation in Pakistan" (pp. 3432-4).

BILLS INTRODUCED

11. RECLAMATION. S. 1669, by Rep. Barrett, to provide that the excess-land provisions of the Federal reclamation laws shall not apply to lands in the Owl Creek unit of the Missouri Basin project; to Interior and Insular Affairs Committee (p. 3362).
12. EXTENSION SERVICE. S. 1679, by Sen. Aiken (for himself and Sen. Ellender), to consolidate extension-service authorizations; to Agriculture and Forestry Committee (p. 3362).
13. IMPORT CONTROL. S. 1680, by Sen. Aiken (for himself and Sen. Holland), to provide for emergency action under Sec. 22 of the Agricultural Adjustment Act; to Agriculture and Forestry Committee (p. 3362).
14. PERSONNEL. S. 1684, by Sen. Carlson, to facilitate civil-service appointment of persons who lost opportunity therefor because of service in the Armed Forces after June 30, 1950, and to provide certain benefits upon appointment; to Post Office and Civil Service Committee (p. 3407).
- S. 1688, by Sen. Johnston (for himself and Sen. Cooper), to amend the Civil Service Retirement Act; to Post Office and Civil Service Committee (p. 3407).
15. FORESTRY. S. 1686, by Sen. Hunt, directing the Secretary of Agriculture to convey a tract of land out of the Teton National Forest, Wyo., to Thomas Guilfoyle Huff in exchange for a tract of land adjacent thereto owned by said person; to Agriculture and Forestry Committee (p. 3407). Remarks of author (p. 3407).

ITEMS IN APPENDIX

16. SCHOOL LUNCH PROGRAM. Sen. Kennedy inserted his letter to the President opposing the recent reduction in the school-lunch estimates for 1954 (p. A2086).
17. PRICE SUPPORTS. Sen. Welker inserted an American Cattle Producer article stating that cattlemen are opposed to price supports and are backing up the Secretary "in his attitude of less Government support and more private enterprise" (pp. A2093-4).
18. TARIFFS. Extension of remarks of Rep. Keating favoring the President's request for continuation of the Reciprocal Trade Agreements Act for 1 year (pp. A2095-6).

COMMITTEE HEARING ANNOUNCEMENTS FOR APR. 20: Farm exports-imports, S. Agriculture and Forestry (State Dept. and Farmers' Union to testify). Fertilizer imports and supply, H. Agriculture (Taylor and Porter, PMA, to testify). Maryland tobacco price supports, H. Rules.

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For supplemental information and copies of legislative material referred to, call Ext. 4654 or send to Room 105A.

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FIRST INDEPENDENT OFFICES APPROPRIATION
BILL, 1954

APRIL 17, 1953.—Committed to the Committee of the Whole House on the State of the Union and ordered to printed

Mr. PHILLIPS, from the Committee on Appropriations, submitted the following

REPORT

[To accompany H. R. 4663]

The Committee on Appropriations submits the following report in explanation of the accompanying bill making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, corporations, agencies and offices for the fiscal year ending June 30, 1954, and for other purposes.

SCOPE OF THE BILL

The bill provides appropriations for the Executive Office of the President and sundry independent offices estimated for in the independent offices chapter of the 1954 budget, pages 51 to 201, inclusive, the General Services Administration, pages 267 to 293, inclusive, of the 1954 budget, the Housing and Home Finance Agency, pages 294 to 367, and a supplemental estimate for the General Services Administration in House Document 62 of the present Congress. Funds for the Atomic Energy Commission, the Selective Service System, the Tennessee Valley Authority, and the Veterans' Administration, usually contained in this bill, have been deferred until a later measure.

APPROPRIATIONS AND ESTIMATES

A tabulation appears at the end of this report giving a comparative statement of appropriations for 1953, with budget estimates and amounts recommended for 1954, together with a statement of additional estimated savings and recovery of funds, due to the rescission of prior appropriations, and so forth.

The committee considered budget estimates totaling-----	\$1, 172, 444, 190
The committee recommends in the bill-----	451, 020, 493
The reduction in the budget estimates is-----	721, 423, 697
The bill is under the 1953 appropriation-----	542, 516, 350

Additional savings, including the recovery of funds, the rescission of prior appropriations, a reduction in the low-rent housing program, and so forth, set forth in detail at the end of the tabulation in this report, show further economies totaling \$2,104,472,000, which, together with the reduction of \$721,423,697 in the estimates, provide a total of \$2,825,895,697 in the form of savings, or recovery of funds, from all sources. The committee is especially pleased to report a saving of \$721,423,697 in the Budget estimates. This reduction represents a cut of more than 61 percent, and is considerably in excess of previous savings made in this bill in prior years.

PURCHASE OF AUTOMOBILES

The committee has denied all requests in the estimates for authority to purchase new automobiles and has asked the Bureau of the Budget, with the cooperation of the General Services Administration, to survey the situation with a view to effecting the transfer of cars now in the possession of agencies where they are not essential, to agencies where there is a real need. Undoubtedly, there are automobiles in the possession of agencies which receive little or no use. There are also many automobiles owned by agencies which are, or soon will be, in process of liquidation. These surplus cars should be transferred to other agencies where there is a real demand for them.

RENTAL OR PURCHASE OF ELECTRICAL BUSINESS MACHINES

The committee has eliminated from the bill all money for the rental or purchase of additional electrical business machines. There are machines under contract today which are not used to their fullest capacity. The committee is requesting the General Services Administration and the General Accounting Office to make a survey of this type of equipment with a view to determining whether it is being used sufficiently to warrant continued rental or, where machines are not used full time, to submit recommendations as to the use of such equipment by other agencies, or by activities within the same agency. The committee feels that very substantial savings can be effected as a result of the action indicated.

DENIAL OF REQUESTS FOR ADDITIONAL PERSONNEL

The Budget estimates considered by the committee for the agencies contained in the bill provided for substantial increases for practically every activity. The committee has resisted such requests in substantially all agencies, and in a number of instances it has allowed funds which will require a lesser number of employees than in the

current fiscal year. Aside from an increase in personnel for the staffing of new NACA facilities, the net result of the committee's recommendation has been to provide for a decrease in employment below the 1953 level.

EXECUTIVE OFFICE OF THE PRESIDENT

The bill contains funds in the amounts submitted in the estimates for the salary and expenses of the President totalling \$150,000; and \$1,800,000 for the White House Office which is a reduction of \$104,790 in the budget estimate. This reduction in the estimate was made at the suggestion of the White House. An appropriation of \$500,000 plus the unobligated balance in this fund on June 30, 1953, has been provided as an emergency fund for the President. The unobligated balance in this fund on March 18, 1953, was \$403,995. The amount available for the fiscal year 1954 will be substantially lower than the 1953 appropriation of \$1,250,000 and is a reduction of \$500,000 in the budget estimate of \$1,000,000. The sum of \$356,184 is provided for the executive mansion and grounds which is a reduction of \$11,016 in the budget estimate. This reduction was made at the suggestion of the White House Office.

Bureau of the Budget.—The committee has included \$3,412,000 in a bill for this agency which is \$288,000 less than the budget estimate and \$49,200 below the 1953 appropriation. Since the reduction of \$288,000 was made by mutual agreement between the Bureau of the Budget and the committee, the committee leaves the application of the cut to the Bureau, with a suggestion that, in the opinion of the committee, savings in the Office of Statistical Standards could be made with less hardship than in other offices of the Bureau.

Council of Economic Advisers.—This agency went out of existence on March 31, 1953, under the provisions of the 1953 Independent Offices Appropriation Act, and, therefore, no additional funds are allowed for it in this bill. The Congress has provided funds to the White House office for the remainder of the current fiscal year for an economic adviser to the President, including staff, and further appropriations for this adviser and his staff will be considered in connection with the Second Independent Offices Appropriation Bill.

AMERICAN BATTLE MONUMENTS COMMISSION

Salaries and expenses.—The bill includes \$750,000 for this purpose which is \$30,000 less than the budget estimate and \$30,450 in excess of the 1953 appropriation. The moderate increase over the 1953 appropriation is essential to provide adequately for the care, protection and maintenance of cemeteries in the European area. Work on some 14 cemeteries has progressed rapidly during the past year and additional funds are required for protection and maintenance.

Construction of memorials and cemeteries.—The committee has recommended the budget estimate of \$9,500,000 for this purpose. No reduction has been made in the estimate because the committee was advised by the Commission on March 12th that foreign currency amounting to \$1,039,564 which the Commission had been authorized to secure in the 1953 Appropriation Act, would not be available. This loss is a serious blow to orderly completion of the program. The full amount of the 1954 estimate is allowed to help make up the reduction of more than \$1,000,000 referred to above. Work on this

construction program is progressing at a satisfactory rate and the bulk of the program should be completed by the end of the fiscal year 1955. No money is provided for the Luxembourg Memorial until a complete reexamination of the design for that location is made and a report submitted to the committee.

CIVIL SERVICE COMMISSION

Salaries and expenses.—The committee recommends \$16,064,323 for salaries and expenses for this commission which is a reduction of \$4,235,677 in the Budget estimate and is \$2,639,027 less than the 1953 appropriation. During hearings on the bill, the committee was advised that placements in the competitive service will decline from an original estimate of 521,000 to 445,400, a reduction of 14.5 percent. The estimated turnover during the fiscal year 1954 originally placed at 23 percent has been reduced to 20 percent. In view of the announced intention of the administration to effect substantial reductions in personnel, the committee is strongly of the opinion that the number of persons required to fill vacancies will be considerably less than the estimate of the Civil Service Commission. With the liquidation of emergency agencies and reductions in other agencies, there will be a number of persons seeking employment who are already qualified to fill positions. This situation will relieve the commission from holding as many examinations as were contemplated and will necessarily reduce the cost of examining and recruiting activities. For these reasons, the committee has recommended a reduction of \$2,251,000 in the estimate for recruiting and placement.

The reduction of \$1,026,343 in the estimate for investigation of character and fitness for employment parallels the action of the committee in effecting a reduction in the item for recruiting and placement. Many of the people who will be assigned to positions during the next fiscal year will be former employees who have been checked and investigated and found qualified from a character and loyalty standpoint and the processing of their records will require little or no expenditures of funds.

The committee has inserted in the bill a provision to abolish the Federal Personnel Council, which presently exists as a unit within the Civil Service Commission. The committee is of the opinion, as a result of the hearings in connection with this activity, that the duties required of it can be performed more efficiently and with less funds in the Office of the Executive Director where it will be under the direct supervision of the Chairman, rather than as a separate unit within the agency.

The conditions which have existed in the auditing function and in the legal department of this activity justify no increase in appropriations until such conditions have been corrected. As evidence of this situation, the committee points to the failure of the Commission's staff to do anything in connection with the recent Rent Stabilization case, wherein employees of that agency were paid for accumulated annual leave in June 1950 under conditions which the Comptroller General has since ruled were illegal. The Civil Service Commission has taken no corresponding stand in connection with this case although it has had full opportunity to do so.

In effecting an over all reduction of \$65,640 in the activity for regulatory appellate and advisory functions, the committee makes a reduc-

tion of 50 percent in the amount allowed in the 1953 appropriation for legal services.

In effecting a reduction of \$39,344 in Executive and Administrative Services, the committee has allowed half of the 1953 allocation for the Office of the Executive Director, and has added \$25,000 thereto for salaries heretofore provided for the Federal Personnel Council.

The commission presented in its justification an overseas program designed to bring Federal positions overseas under civil service. No funds are provided for this purpose, the committee being opposed to initiating the program at the present time.

A summary of the reductions recommended by the committee is as follows:

<i>Item</i>	<i>Reduction</i>
Examining, placement, and Veterans preference	\$2, 251, 000
Investigation of character and fitness for employment	1, 026, 343
Position classification	215, 000
Service record	93, 150
Federal Personnel Council	59, 000
Regulatory, appellate and advisory	65, 640
Inspection Service	250, 000
Executive and administrative	39, 344
Other obligations	236, 200
Total reduction	\$4, 235, 677

Annuities, Panama Canal construction employees and Lighthouse Service widows.—The bill includes \$2,500,000 for this purpose which is \$207,000 less than the 1953 appropriation and \$100,000 below the budget estimate. The reduction is made possible due to the fact that the average annuity of persons now coming on the rolls is \$530 instead of the original computation which estimated a rate of \$750.

Payment to civil service retirement and disability fund.—The question of whether or not a government should create and maintain a "fund" to support such trusts as, in this case, Civil Service retirement, has been a matter of discussion for a long time. The committee feels, and in this it is supported by the opinions of nationally known accountants and actuaries, that the handling of trusts in government is necessarily different from that of similar trusts in industry. Such a fund, in industry, to be actuarially sound, must be prepared for the liquidation of the industry at any reasonable time. Government cannot, and should not, operate on any such presumption. Government with its taxing power, should operate on a pay-as-you-go basis, for such expenditures as these retirement costs. When government attempts to create a "fund," it faces unknown factors; it succeeds only in taxing its citizens and accumulating money unnecessarily, but it issues bonds on which these same citizens must pay interest.

The committee has denied the item of \$192,015,000, for payment of interest on what amounts to a hypothetical debt, and the item of \$176,139,000, representing the government's share of the payments into the fund for fiscal year 1954, on the actuarial basis above referred to. The committee feels that the first item represents a cash saving, from the proposed budget requests, and considers the latter more in the nature of a postponement of the government's obligation until such time as the actual figure can be determined, with assurance that a material saving will result eventually, in addition to the saving in interest. The committee is advised that this entire subject is now under review by another committee. This action in no way affects the rights or claims of beneficiaries under the Act.

Payment to the Civil Service retirement and disability fund for increases in annuities provided by the act of July 16, 1952.—Public Law 555 of the 82nd Congress provided for increased annuities to certain retired employees in the low income brackets, and the 1954 budget contains an estimate of \$58,987,000 for such purpose. The sum of \$31,397,000 is requested to provide for the payment of such annuities during the fiscal year 1954 and \$27,590,000 is to cover such annuities for the fiscal year 1953. Testimony presented to the committee was unanimous that the estimate of \$27,590,000 for the fiscal year 1953 was not required under the provisions of Public Law 555. The law provides, however, that such increases shall be paid from the civil service retirement and disability fund. In view of the facts presented to the committee in this connection funds for the fiscal year 1953 have been eliminated from the bill. The bill includes \$31,397,000 to provide for the cost of increases for the fiscal year 1954.

FEDERAL COMMUNICATIONS COMMISSION

The committee recommends a total of \$7,100,000 for salaries and expenses of this commission which is a reduction of \$900,000 in the budget estimate. In effecting this reduction the committee has disallowed all proposed increases with the exception of funds for application processing and hearings in connection with the issuance and renewal of television licenses, and funds for the processing of applications and hearings in connection with the issuance of licenses in safety and special radio services. Testimony presented to the committee was to the effect that there was a backlog in TV applications for licenses of 8,300 as of January 31, 1953, and a backlog of 14,751 applications for safety and special radio services licenses as of the same date. The committee has earmarked specifically in the bill \$935,000 for work in connection with TV applications, and \$809,271 for work in connection with licenses for safety and special radio services in order that some progress can be made in reducing these large backlogs, and it requests the Federal Communications Commission to divert any additional funds which may be available for work in connection with the processing of these two types of applications.

FEDERAL POWER COMMISSION

The committee has allowed \$4,300,000 for salaries and expenses of this commission which reflects a reduction of \$270,000 in the budget estimate and an increase of \$214,300 over the 1953 appropriation. The committee has denied all proposed increases with two exceptions. These exceptions occur in connection with the increased workload in suspended gas and electric rate increase applications. The committee feels that the staggering workload in these two matters and the urgent need for a more nearly adequate staff make allowance of the proposed increase essential.

FEDERAL TRADE COMMISSION

For this activity there is recommended \$4,178,800 which is a reduction of \$1,321,200 in the budget estimate and is the amount of the 1953 appropriation. The committee has specifically disallowed a request for \$186,000 to provide for a statistical analysis of the consumer's dollar. The committee was advised that \$11,000 was being expended during the current fiscal year in preparation for undertaking this survey. Since this sum was not required for the

regularly authorized work of the Commission during the current fiscal year, the committee directs that for the fiscal year 1954 a similar sum (\$11,000) be applied as an additional amount for the enforcement of the Fur Labeling Act. The committee is impressed with the need for enforcement funds for this purpose and recommends that the Commission divert to this activity any additional funds which are not urgently required for other work.

GENERAL ACCOUNTING OFFICE

The committee extends its sincere appreciation to Comptroller General Warren and his able staff for the splendid work that it is doing in all phases of Federal auditing and accounting. This year, more than ever before, the General Accounting Office has been of real assistance to the committee in its examination of budget estimates for the fiscal year 1954. The GAO staff has made numerous investigations, reports and recommendations to the committee. A large number of trained personnel have been engaged constantly on this work. The committee appreciates this splendid cooperation.

Salaries and expenses.—The bill contains \$31,981,000 for this purpose which is a reduction of \$19,000 in the budget estimate, and is \$79,000 less than the 1953 appropriation. The reduction in the estimate of \$19,000 represents the denial of a proposed increase for the rental of electrical business machines and is in line with the policy of the committee denying all new requests for this purpose for fiscal year 1954.

GENERAL SERVICES ADMINISTRATION

The Federal Property Act of 1949, as amended by Public Law 754 of the 81st Congress, established the General Services Administration and empowered it with authority to provide effective, economical and efficient systems of management of real property, personal property, and records of the government.

During hearings on the bill the committee requested this agency to provide information as to the number of employees on its legal staff. The committee has been advised that the Budget estimates for the fiscal year 1954 contemplated the employment of 63 professional and 60.5 nonprofessional persons on a man-year basis. Since its inquiry into the matter the committee has received a revised estimate reducing the original 1954 request to 52 professional and 44.7 nonprofessional employees. The committee is of the opinion that there is overstaffing of legal personnel in the central office, and it recommends that a major part of the proposed reduction be applied to the Washington Office. General Services Administration has indicated a desire to cooperate toward this goal. A letter from the Comptroller of GSA to the Chairman of the Subcommittee having charge of the investigation, explaining how the proposed reductions will be effected has been inserted in the hearings on the bill.

Operating expenses, public building service.—Under this appropriation funds are provided for buildings management, including operations and rents, national industrial reserve, real property acquisition and utilization, surplus property management and disposal, buildings design and supervision, and public utilities management. The bill contains \$98,826,070 for this purpose which is \$2,219,960 less than the 1953 appropriation and is \$22,173,930 below the Budget estimate.

A summary of the reductions recommended in each of the six activities making up this appropriation is as follows:

<i>Activity</i>	<i>Reduction</i>
Buildings management.....	\$19, 412, 560
Real Property acquisition and utilization.....	56, 000
National Industrial Reserve.....	2, 500, 000
Surplus property management and disposal.....	14, 000
Public utilities management.....	50, 000
Buildings design and supervision.....	141, 370
Total reduction.....	\$22, 173, 930

The committee is of the opinion that the sum requested for the costs of operating expenses of public buildings is excessive and that such buildings should be operated at a very substantial reduction. It has, therefore, recommended a total reduction of \$19,412,560 in this activity. It will expect the commissioner of public buildings to study the matter carefully and come back to the Congress next January with a better and more economical estimate for the cost of cleaning and operating buildings. The committee has evidence satisfactory to it that instead of increasing the cost of cleaning in Washington and New York and other cities, better work can be done for less money than has been appropriated in the past year. Therefore, the committee has effected a moderate reduction below the current year and expects the commissioner to improve conditions in connection with this activity. In allowing \$32,000,000 for the rental, operation, maintenance, and repair of leased space, the committee has provided such sum with the understanding that \$10,000,000 shall be available during the first quarter of the fiscal year, \$8,000,000 during the second quarter, and \$7,000,000 during each of the last two quarters, thus enabling GSA to make use of government-owned and other space which will be relinquished during the year due to reductions in government operations and the liquidation of emergency agencies.

In effecting a reduction of \$141,370 in the estimate of \$260,000 for buildings design, and supervision, the committee has disallowed all funds in the estimates for those duties on the part of Public Buildings Service which are normally performed by an architect who assumes such costs in his regular commission. After six years of experience, the committee feels that the government will not only obtain more economical, but better service by returning to the policy of retaining competitively independent architects for the design and construction of all public buildings. The committee has left in the bill only enough money for a minimum supervisory architectural staff, and places a limitation of eleven employees in the buildings design and supervision service.

The committee has disallowed all estimates for the acquisition of additional space but has allowed the full amount requested for removing existing agencies to space more appropriate for their needs. The General Services Administration and the Agencies interested in the rental of space in Washington and other areas throughout the country should make a careful survey of additional space which will become available as activities are liquidated or eliminated and it is the opinion of the committee that in many instances the demand for space can be met through utilization of this space and with substantial savings to the government.

The reduction of \$2,500,000 in the estimate of \$5,122,000 for the national industrial reserve is based on continuing this activity sub-

stantially at the 1953 level. The reduction is made possible by deferring an estimate for funds to reprocess installed equipment and for major repairs to 16 plants housing standby defense production equipment.

Emergency operating expenses.—The committee has recommended \$22,668,250 for this purpose which is the amount of the 1953 appropriation and \$5,511,750 less than the budget estimate. The substantial increase of approximately \$5,500,000 in the 1954 estimate was due to the fact that the Department of Defense had programmed the need of 3,000,000 additional square feet of space for expansion during the fiscal year 1954. Recent events including the reduction in personnel for the Department of Defense makes it apparent that the additional space originally planned will not be required and the committee has denied the total increase in funds requested for this purpose.

Repair, improvement, and equipment of federally owned buildings outside the District of Columbia.—The budget for 1954 proposed consolidation of several items into one appropriation to provide funds for the repair and improvement of federally owned buildings. The committee is in favor of the proposed program and regrets that it cannot approve the entire estimate. However, the demand for economy makes essential a reduction in each of the items in the estimate. The reduction recommended by the committee which totals \$7,000,000 is shown in the following tabulation:

Item	1954 Budget estimate	Recommended by committee	Reduction
Minor repairs and improvements.....	\$10,000,000	\$9,000,000	\$1,000,000
Major repairs and improvements.....	5,000,000	4,000,000	1,000,000
Post Office work space improvement.....	10,000,000	5,000,000	5,000,000
Total.....	\$25,000,000	\$18,000,000	\$7,000,000

Buildings Management Fund.—The committee considered a budget estimate of \$6,000,000 for the establishment of a revolving fund which would facilitate operations in connection with buildings management. The purpose of the fund is to permit financing of all buildings management operations from one fund, to simplify bookkeeping, and to present in the budget in one place a composite picture of operations. The committee has recommended an appropriation of \$3,000,000 to initiate this program.

Hospital facilities in the District of Columbia.—Appropriations of \$2,200,000 and a contract authorization of \$19,500,000 previously have been provided for the construction of a hospital center on a site selected adjacent to the Soldiers' Home. The original budget estimate proposed an appropriation of \$3,000,000 for the fiscal year 1954. Under date of April 9th, the committee received a letter from the General Services Administration that the balance of prior appropriations would be ample to meet all expenses for this project through June 30, 1954. The letter stated that, after discussion with the Bureau of the Budget, it had been mutually agreed that the revised estimate of \$1,000,000 should be withdrawn. The committee was advised by GSA in the letter that the withdrawal of the estimate would not of itself cause a delay in the progress of the project.

Operating expenses, Federal Supply Service.—The bill includes \$2,605,000 for this purpose which is an increase of \$450,900 in the 1953 appropriation and a reduction of \$1,170,000 in the budget estimate. The transfer of \$674,000 proposed in the 1954 budget for activities previously provided for under the General Supply Fund accounts for the apparent increase over the 1953 appropriation. The reduction of \$1,170,000 recommended in the estimate is in line with recommendations contained in revised estimates submitted by the agency with the exception of a reduction of \$130,000 in connection with commodity cataloging work. It is recommended that this project be referred to the Executive Reorganization Policy Committee for consideration and it is for this reason that the \$130,000 proposed for this work has been disallowed at this time.

Expenses, General Supply Fund.—The bill includes \$13,924,500 for this purpose which is a reduction of \$3,575,500 in the budget estimate. The amount contained in the bill will permit operation on substantially the same basis as the current fiscal year. The apparent reduction below the 1953 appropriation is accounted for by the transfer in fiscal year 1954 of funds in excess of \$600,000 to the item "Operating Expenses, Federal Supply Service".

Operating expenses, National Archives.—The committee has recommended an appropriation of \$5,625,000 for this purpose which is a reduction of \$625,000 in the budget estimate. The amount recommended includes \$200,000 for replacement of nitrate film by acetate film. This sum would be made available until expended to enable the Archivist to replace films as they reach the point of deterioration and thus prevent the permanent loss of films of historic value.

Administrative operations.—The bill includes \$4,140,750 for this purpose which is a reduction of \$1,159,250, in the budget estimate. The amount provided will permit operation of this activity on the same basis as is provided for the current year.

Strategic and Critical materials.—Budget estimates submitted in the 1954 budget for this purpose consisted of \$188,000,000 for the further acquisition of strategic and critical materials, and \$37,000,000 for the liquidation of contract authorizations in connection with the same purpose. During hearings on the bill, the committee was advised that since the original estimates were submitted there had been a change in the estimate of funds available for this purpose and that as of February 28, 1953, there was an unobligated balance in the fund amounting to \$457,670,943.62. The committee was further advised that this large unobligated balance, which will continue available until expended, made additional appropriations for the next fiscal year unnecessary. The committee, therefore, has eliminated the funds proposed in the original estimate, and it has inserted in the bill authorizing language in connection with the use of funds, together with a paragraph providing for the use of \$30,000,000, in lieu of an estimate of \$37,000,000, for liquidation of contract authorization.

During hearings on the bill the committee was advised of the difficulty in securing adequate storage facilities, including tank facilities, for materials which are being purchased. The committee is of the opinion that every means should be utilized for locating existing storage space before funds are used for the construction of new facilities. The committee feels that a stronger effort can be made to secure use of military storage facilities. It is also apparent that

commercial facilities can be made available for stock-pile purposes if the Munitions Board storage areas and patterns are extended. Both of these avenues should be further explored before funds are used to provide for the balance of the needs of the stock-pile in Government-owned new construction.

HOUSING AND HOME FINANCE AGENCY

OFFICE OF THE ADMINISTRATOR

The major housing activities of the Federal Government are grouped in the Housing and Home Finance Agency, which consists of the Office of the Administrator and three main constituents: The Home Loan Bank Board, including the Federal Savings and Loan Insurance Corporation and the Home Owners Loan Corporation; the Federal Housing Administration; and the Public Housing Administration. The Federal National Mortgage Association is also a part of this agency.

Salaries and expenses.—The bill includes \$2,587,100 for this purpose which is a reduction of \$1,962,900 in the budget estimate. A tabulation showing the budget estimates, the amount recommended in the bill, and the reduction in the estimates is set forth below as follows:

Office of the Administrator

	Budget estimates, 1954	Recommended in bill for 1954	Bill compared with 1954 estimates
Salaries and Expenses:			
Agency-wide Program Coordination and Supervision.....	960,000	722,100	—237,900
Slum Clearance and Urban Redevelopment.....	2,185,000	1,585,000	—600,000
Housing Research.....	950,000	-----	—950,000
Liquidation of Public Works Advance Planning.....	210,000	195,000	—15,000
Programming of Defense Housing and Community Facilities.....	245,000	85,000	—160,000
Subtotal, Salaries and expenses.....	4,550,000	2,587,100	—1,962,900

The reduction of \$237,900 in the estimate of \$960,000 for agency-wide program coordination and supervision has been applied as follows: \$22,750 has been disallowed in the division of information, \$36,375 in the division of law, \$45,200 in the division of housing research, \$17,450 in racial relations work, \$91,125 in the regional offices, and \$25,000 in connection with funds requested for "other obligations".

Reorganization survey.—In order that the agency may conduct a reorganization survey in cooperation with the President's Advisory Committee on Government Organization the Committee has allowed the full amount of the budget estimate of \$97,800 for the division of plans and programs. The Committee believes that excellent results may be obtained from a survey of this character with a view to effecting economy and efficiency in the operations of the entire agency.

Liquidation of War Public Works.—Under Title II of the Lanham Act some 1,572 public works projects and facilities were directly constructed with Federal funds in support of the defense and war effort. Since the end of World War II, disposition of these projects by sale, transfer, and so forth, has proceeded to the point that less than 100 remain in the custody of the Agency. The Committee received

testimony to the effect that more than two-thirds of the remaining projects cannot be immediately disposed of because they are integral parts of facilities still being operated by other Government agencies, largely by the military services. It appears only reasonable and efficient that the using agency should have jurisdiction with respect to these properties and should be responsible for their disposal in connection with the parent projects. Testimony of Agency officials indicated that they agree with this concept, but are in doubt as to their present legal authority to effect such transfers. Accordingly, the Committee has inserted a provision which should clear up any doubt on this subject and permit the transfers to be made immediately, without reimbursement.

Authority of the Administrator.—A proviso has been inserted in the bill under the Office of the Administrator with reference to the powers and duties of this official. In the opinion of the Committee, it is obvious that it was the intent of Congress, in approving Reorganization Plan number 3, which became effective July 27, 1947, and which combined the several housing agencies into the Housing and Home Finance Agency, and, at the same time, created the Office of the Administrator, to give the Administrator all authority necessary for "general supervision and coordination" of the activities of the new agency to whatever extent this authority would be necessary to reorganize, to eliminate, to transpose, or to adjust the functions of any or all agencies entering into the reorganization, in order to provide the utmost in economy and efficiency. The restatement of this authority in the bill is not considered by the Committee to be new legislation but only a restatement and a clarification of the authority given the Administrator by Reorganization Plan Number Three in 1947, Title V of the Housing Act of 1948, and other statutes.

Liquidation of activities.—One of the difficulties previous Administrators have encountered is, apparently, that of concluding the liquidation of an agency or function of an agency, even though such liquidation was contemplated in the Act creating the agency or by subsequent action of the Congress. On several occasions the Committee has attempted to encourage a liquidation by denying further appropriations, but it also feels, and recommends to the Administrator that liquidation may be accomplished more efficiently by the creation of a liquidation section in the agency, rather than by leaving this process to the employees of the service being liquidated. The Administrator is authorized in the bill to create such a section if he so desire, and make appropriate reallocation of funds provided in the bill.

Loans to educational institutions.—Out of a total authorization of \$300,000,000 for this purpose, \$34,000,000 had been committed as of January 31, 1953. The original budget proposed that this sum be increased to \$94,000,000 by the end of fiscal year 1953 and that a total of \$150,000,000 would be committed by the end of fiscal year 1954. There is some doubt in the mind of the Committee that this program, eight years after the war, is as necessary now as it was several years ago. There is also a question involving policy which should be resolved by the Congress as to whether it was the intent to provide this money to educational institutions which are well able to borrow money through regular banking channels without government help. For that reason the Committee has inserted a provision in the bill reducing the availability for the fiscal year 1954 to \$21,000,000.

Defense Community facilities and services.—The committee has considered an estimate of \$115,000 for defense community facilities and services administration, and has included \$112,500 in the bill for this purpose. The amount allowed, which is the current appropriation, is required for this activity in connection with the liquidation aspects of the program.

Slum clearance and urban redevelopment.—The bill includes \$20,000,000 for this purpose which is the budget estimate and \$12,000,000 in excess of the 1953 appropriation. The amount recommended in the bill is the minimum sum required to meet actual disbursements which will be made under the program by the agency during the fiscal year 1954. While the committee has allowed the entire \$20,000,000 set up in the budget for this program, it will obviously occur to the Administrator that an examination of these projects not fully committed, in light of the proposed legislative changes, is in order before the government is finally legally committed to these grants. Under this heading the committee has inserted a provision requiring that the authority under Title I of the National Housing Act shall be used to the utmost in connection with slum rehabilitation needs. Rather than put a limitation upon the proposed FHA insurance activity which is the maximum the committee feels is justified in 1954, the committee urges the use of the insuring power under Title I of the National Housing Act (repair and improvement loans) to the utmost in connection with the rehabilitation needs under the slum clearance program.

Federal National Mortgage Association.—This Association was authorized under Title III of the National Housing Act to provide a secondary mortgage market for Federal Housing Administration insured mortgages. The scope of its operation was expanded to include Veterans' Administration mortgages by Public Law 864 of the 80th Congress and its activities have been further broadened by subsequent acts of Congress.

Authorization is recommended for the use of available funds to the extent of \$2,300,000 for this purpose, which is a reduction of \$2,300,000 in the budget estimate. The reduction in the authorization for this agency as proposed in the bill by the committee is made feasible by the proposed change of program, including the change referred to in the following paragraph.

This agency will have in its portfolio, on its own statements, a total of \$2,566,000,000 worth of mortgages at the beginning of the fiscal year 1954. The committee believes that it was not the intent of the Congress to accumulate these mortgages without an effort to place them in the hands of private investors and thus avoid the rising costs of servicing and other administrative expenses. Consultation with financial agencies of the government indicates that with no more than the normal effort which would be expected of the agency, a minimum of \$750,000,000 worth of these mortgages can be sold in the fiscal year 1954, the maximum estimates running to \$1,250,000,000 or higher. The committee recommendation, consisting of a provision included in the bill, requires the Administrator to make every effort to recover \$1,000,000,000 in cash from these mortgages during the coming fiscal year. It may be necessary for the Administrator to discount the mortgages slightly, in view of the rising interest rates already announced by the Treasury Department.

No funds are provided in the bill for use in connection with continuation of the Purchase Receipt Plan, under which an investor buying FNMA mortgages may sell back an equivalent amount of mortgages to FNMA within a year.

Housing Loan Programs.—The items making up this program consist of the Alaska Housing Program, loans to educational institutions, and loans for prefabricated housing. Previously, authorizations or appropriations for these purposes were carried in separate paragraphs in the bill. For the three programs for the fiscal year 1954 the committee considered a total budget estimate of \$780,000. The committee has allowed \$411,250 which is a reduction of \$368,750 in the budget estimate. At other points in the bill the committee has recommended provisions which will effect substantial reductions in each of these programs. The reduction recommended by the committee in the administrative expenses provided by this paragraph are in line with the reductions recommended in connection with the programs. A tabulation setting forth the recommendations of the committee in connection with this item is set forth below as follows:

Housing loan programs (limitation on administrative expenses)

	Budget estimates 1954	Recommended in bill for 1954	Bill compared with 1954 estimates
Housing Loan Program: Alaska Housing.....	85,000	63,750	—21,250
Housing Loans to Educational Institutions.....	450,000	225,000	—225,000
Loans for Prefabricated Housing.....	245,000	122,500	—122,500
Total, Housing Loan Program.....	780,000	411,250	—368,750

Loans in connection with prefabricated housing.—The committee directs the Administrator to make every effort during the fiscal year 1954 to have these loans refinanced through the regular banking channels and move the government out of the prefabricated housing loans business since the industry is now sufficiently advanced to borrow through normal channels.

Home Loan Bank Board.—The budget estimate for administrative expense to the Board for the next fiscal year was in the sum of \$775,000. It is believed that the Home Loan Bank Board has presented a reasonable budget which can be justified in detail, and the committee has made no reduction in the estimate. The committee has also approved the budget estimate of \$2,085,000 for the operations of the examining division of this activity.

Federal Savings and Loan Insurance Corporation.—The result of any reduction in this item would be to improve the cash position of the agency. The committee is confident that if any possibility for saving presents itself during the next fiscal year, officials of the Corporation will take advantage of it, and it has therefore approved the estimate of \$455,000.

Home Owners' Loan Corporation.—There is included in the bill authorization for the use of not to exceed \$10,000 available to this corporation for purposes of liquidation. The provision also is to the effect that these funds shall remain available only until October 31, 1953. Subsequent to that date the affairs of the Corporation will be

taken over and further liquidation completed by the Home Loan Bank Board.

Federal Housing Administration.—The Federal Housing Administration was created by the National Housing Act of 1934. It is a non-corporate business type agency made subject to the government corporation Control Act by the Housing Act of 1948.

The committee considered the budget estimate of \$5,900,000 for the administrative expenses of this activity and has allowed \$5,045,590, which is a reduction of \$854,410 in the estimate. \$300,000 of the reduction provided in this item is due to the expectation that a backlog of work from the fiscal year 1953 can be absorbed, and the remainder is to bring funds required for personal services to a basis comparable to the anticipated workload. A further reduction of \$28,410 has been applied in connection with the elimination of work in connection with cooperative housing.

The Administrator is urged to give consideration to the disposal of properties held by FHA as a result of foreclosure proceedings at the earliest possible moment. The majority of these properties were doubtful investments in the first place, and holding them for an indefinite period may only result in a greater loss to the government.

Public Housing Administration.—The Public Housing Administration was established by Reorganization Plan Number 3 of 1947.

Housing programs for which the administration is directly responsible are:

- (1) United States Housing Program.
- (2) Subsistence Homestead and Greentowns program.
- (3) Public War Housing.
- (4) Veterans reuse housing.

The original Budget estimates, in carrying out the provisions of the Housing Act of 1949 for the fiscal year 1954, proposed 75,000 dwelling units. This estimate subsequently was reduced in a revised estimate to authorize 35,000 units. The committee is of the opinion that continuation of this program is not justified and is not in accord with the program for economy and a balanced budget. Also, the committee has been advised that many projects where low-rent housing has been constructed, are having difficulty in completing the occupancy of such facilities. For these reasons the committee has inserted in the bill an amendment to the provisions relating to this subject contained in the 1953 Independent Offices Appropriation Act which will prohibit the Public Housing Administration from entering any agreement, contract, or other arrangement which will bind PHA with respect to loans, annual contributions or authorizations for commencement of construction, for any dwelling units or projects after the date of approval of this bill.

For the administrative activities of the Public Housing Administration, the committee considered budget estimates totaling \$15,600,000. The bill includes \$8,973,000 which is a reduction of \$6,627,000 in the budget estimate. Substantial reductions in these estimates have been made possible due to the de-emphasis being placed on low-rent housing by the committee in its recommendations in the bill. While there will be an additional number of war housing units due to the taking over of defense housing, the committee expects PHA to increase the sales of property, and, in order to expedite this work, the revised estimate of \$1,716,500 for the disposition of proper-

ties has been allowed. A tabulation setting forth the recommendations of the committee in connection with the administrative expenses referred to above is as follows:

Public Housing Administration

Administrative expenses	Budget estimates 1954	Recommend in bill for 1954	Bill compared with 1954 estimates
United States Housing Act:			
Development activity-----	6,820,000	1,364,000	-5,456,000
Management activity-----	4,480,000	3,584,000	-896,000
	11,300,000	4,948,000	-6,352,000
Subsistence homesteads and greentowns-----	5,500	5,500	-----
Public war housing:			
Management activity-----	2,298,000	2,048,000	-250,000
Disposition activity-----	1,716,500	1,716,500	-----
	4,014,500	3,764,500	-250,000
Defense Housing-----	100,000	100,000	-----
Veterans' re-use housing-----	180,000	155,000	-25,000
Total-----	15,600,000	8,973,000	-6,627,000

The committee has inserted in the bill under the paragraph authorizing the use of funds for the overall administrative expenses of PHA, a provision instructing the Public Housing Commissioner to refund all local bonds insofar as possible. It is estimated that \$271,088,000 can be recovered by this procedure, which will consist of the refunding of local housing authority bonds held by the Public Housing Administration. The Committee has ascertained that bonds in this amount are available for refunding with private money. The cash recovered in this manner would be used to reduce Treasury borrowings. Apparently, in the past, the agency has avoided an appropriate refunding program so as not to affect adversely the low-rent bond market while new projects were being programmed. It would appear that this entire total should be refunded by June 30, 1954.

The bill contains an appropriation of \$32,500,000 for annual contributions which is \$2,620,000 in excess of the 1953 appropriation and \$7,200,000 below the budget estimate. The increase in the 1953 appropriation is essential to meet obligations incurred in connection with new contracts with local housing agencies for the payment of subsidies in the fiscal year 1954 which were not required in the fiscal year 1953. In making a reduction of \$7,200,000 in the estimate the committee has taken into consideration the fact that in the past estimates for this item have been excessive. The Committee realizes that contracts entered into for this purpose represent an obligation of the Government, and additional funds will be provided, if, at a later date, the need for them can be justified.

INDIAN CLAIMS COMMISSION

During hearings on this activity the committee was advised that the Commission had before it a total of 852 claims and that the amount of these claims totaled approximately \$3,016,377,000. The committee was further advised that due to the lack of personnel and particularly the lack of trained legal personnel, the Commission was having great difficulty in reducing the backlog of work. While the committee has

required a reduction of \$28,980 in the budget estimate of \$140,000, it has provided sufficient additional funds to permit the employment of two investigator-attorneys and one stenographer in order that the backlog of work may be decreased.

INTERSTATE COMMERCE COMMISSION

The committee considered estimates totaling \$12,150,000 for the Interstate Commerce Commission. It has included in the bill a total of \$11,150,176, a decrease of \$999,824 in the budget estimate and an increase of \$146,676 over the 1953 appropriation.

General expenses.—The bill contains \$9,466,176 for general expenses, which is a reduction of \$933,824 in the budget estimate, and an increase of \$146,676 in the 1953 appropriation. The committee has effected a reduction of \$12,650 in the estimate due to the denial of funds for 11 automobiles for replacement purposes, and it has approved an increase of \$159,326, as proposed in the budget, for use in the Section of Complaints of the Bureau of Motor Carriers. Additional assistance in this section is essential if the Commission is to make any progress in reducing the backlog of applications which have grown at a greater rate than was anticipated. The committee has specifically denied all requests for funds for work relating to safety and field in the Bureau of Motor Carriers amounting to \$1,793,157 and requires that this sum be distributed to other work of the Commission which the committee regards as of greater importance than the use to which such funds are presently being applied.

The committee wishes to point out the urgent need for reorganization of this agency. Many additional activities have been assigned to it, a majority of them during the past twenty years. During that period there has been no substantial reorganization of the agency. In this connection, the committee is impressed with many of the recommendations contained in the report of the Wolf Management Engineering Company of Chicago, Illinois, to the Senate Committee on Interstate and Foreign Commerce under the date of December 22, 1952. Until a complete reorganization of the Commission has been effected, and until efficiency has been substituted for inefficiency, the committee can see no value in providing additional funds for this agency.

NATIONAL ADVISORY COMMITTEE FOR AERONAUTICS

The National Advisory Committee for Aeronautics is charged with the responsibility for scientific aeronautical research. The agency has its central office in Washington and laboratories at Langley Field, Virginia, Moffett Field, California, and the Lewis Flight Propulsion Laboratory near Cleveland, Ohio.

At the request of the committee, the General Accounting Office made a very complete expenditure analysis of the operations of this agency. The committee feels that during the fiscal year 1954 NACA should arrange to consult with the General Accounting Office regarding suggested improvements in NACA with a view to making such necessary changes and improvements as will result in economies in the operation of the agency.

Salaries and expenses.—The bill includes \$52,988,050 for salaries and expenses, which is a reduction of \$5,841,950 in the budget estimate and an increase of \$4,401,950 in the 1953 appropriation. The amount recommended will permit the employment of additional personnel to staff new facilities to be completed during the fiscal year 1953 and 1954, but will not permit the increased utilization of existing facilities as contemplated in the budget estimates.

Construction and equipment.—The bill contains \$7,239,000 for construction and equipment which is a reduction of \$7,361,000 in the budget estimate. The reduction recommended by the committee will have the effect of deferring the three lowest priority projects requested in the 1954 construction program. The application of a \$1,454,000 net saving in the 1953 construction program accounts for a portion of the \$7,361,000 reduction in the estimate. The bill also includes a budget estimate of \$4,200,000 to liquidate contract authorization for construction purposes authorized in prior years.

NATIONAL CAPITAL HOUSING AUTHORITY

The National Capital Housing Authority operates 112 units of low-rent housing and 5 non-residential properties developed or acquired under Title I of the District of Columbia Alley Dwelling Act of 1934. Revenues from operation are deposited into the Treasury and funds are appropriated annually by the Congress for operation and maintenance. The bill contains \$43,000 for operation and maintenance of properties which is a reduction of \$5,000 in the budget estimate. The reduction in the estimate contemplates the deferment of funds for painting and the construction of retaining wall at the Williston Property.

NATIONAL CAPITAL PARK AND PLANNING COMMISSION

Salaries and expenses.—The National Capital Planning Act of 1952 provides that funds for the salaries and expenses of the Commission shall be provided from funds in the Federal Treasury. Heretofore, funds for salaries and expenses of the National Capital Park and Planning Commission were provided from appropriations contained in District of Columbia Appropriation Acts.

For this activity the committee considered a budget estimate of \$175,000. The bill includes \$97,915, which is a reduction of \$77,085 in the budget submission. The committee has allowed \$88,206 for personal services which is the amount available during the current fiscal year, and it has effected proportionate reductions in other segments of the estimate. \$15,000 for surveys by outside experts is specifically disallowed by the committee. The committee feels that the need for economy overrides the desirability of expanding this activity at the present time and it is for this reason that it has deferred additional funds to enable the Commission to undertake new plans under the 1952 Act.

Land Acquisition.—The committee has disallowed the request of \$1,250,000 for use in connection with the acquisition of land for park and playground purposes in Maryland, Virginia, and the District of Columbia. The action of the committee is in line with the revised submission of the agency denying all funds for such purpose for the

fiscal year 1954, and is in accordance with the committee's action in denying funds in the 1952 and 1953 appropriation bills. The same reasons exist today as existed heretofore—the demand for economy and a balanced budget.

NATIONAL SCIENCE FOUNDATION

The National Science Foundation was set up under Public Law 507 of the 81st Congress and is responsible for developing a national policy for the promotion of basic research and education in the sciences, for supporting basic research, for awarding graduate fellowships, and for fostering the interchange of scientific information.

The committee is much interested in the coordination and elimination of duplication in connection with all scientific research work. It requests the National Science Foundation, during the fiscal year 1954, to exert every effort to assist in the coordination of all Federal research, including the elimination of duplication. In the opinion of the committee, a definite showing of substantial savings in this connection would encourage the Congress to consider the provision of additional funds for scientific research.

The bill contains \$5,724,400 for this agency which is a reduction of \$9,275,600 in the estimate, and an increase of \$974,400 in 1953 appropriation. Reductions provided by the Committee in this estimate are as follows:

<i>Item</i>	<i>Reduction</i>
Personal services.....	\$211, 000
Travel.....	39, 000
Other contractual services.....	54, 600
Grants, subsidies and contributions.....	8, 971, 000
Total.....	\$9, 275, 600

RENEGOTIATION BOARD

This Board conducts renegotiation with contractors and subcontractors to eliminate excessive profits from business with the government in connection with procurement activities under the National Defense Program.

Revised estimates submitted by the Board are to the effect that it expects to handle 35,000 filings by contractors subject to the Renegotiation Act and that it will complete 8,750 cases in the fiscal year 1954.

The committee has included \$5,192,800 in the bill for this activity which is a reduction of \$215,000 below the 1953 appropriation and \$3,307,200 less than the budget estimate. The reduction below the 1953 appropriation is due to the transfer of that sum to the General Services Administration for rental of quarters to be occupied by the Renegotiation Board during the fiscal year 1954. The committee calls upon the Board to simplify procedure and increase efficiency with a view to reaching the goal set forth in its letter of March 20, 1953.

SECURITIES AND EXCHANGE COMMISSION

For the salaries and expenses of this Commission the committee has recommended an appropriation of \$5,245,080, which is the amount of the current appropriation and \$754,920 less than the budget estimate.

The committee feels that the duties of this activity should not increase substantially during the fiscal year 1954, and that increased efficiency, including a lower turnover in personnel, should enable it to keep abreast of its work during the next fiscal year.

SMITHSONIAN INSTITUTION

Salaries and expenses.—An appropriation of \$2,897,500 is recommended for salaries and expenses of Smithsonian Institution. This is a reduction of \$627,500 in the budget estimate and an increase of \$478,000 over the 1953 appropriation. Appropriations for this agency have been held to a minimum for many years and the point has now been reached where certain repairs and alterations and improvements are absolutely essential. It is for this reason that some increase above the current year appropriations has been provided. However, the committee believes, in view of the financial situation confronting the country, that this is not the time to construct buildings. The construction of buildings should be deferred until an opportunity is afforded the present administration to determine whether funds are available for such purpose, and what space in existing buildings can be utilized. In deferring the requests for funds to house aviation exhibits at Suitland, Maryland, the committee directs that the Air Force continue to provide space for exhibits presently housed in the Chicago Area and that it also provide funds for the protection and care of such exhibits. The committee has allowed \$22,150 for temporary facilities to house exhibits in the West Court of the Natural History building. The committee has denied the requests of \$164,500 for renovation of the White House Costume hall in the United States Museum which it regards as one of the least essential in a list of several proposed renovation projects. A list of the items, reduced by the committee is set forth below as follows:

<i>Item</i>	<i>Reduction</i>
United States Museum: White House Costume Hall.....	\$164, 500
National Air Museum.....	370, 000
International Exchange Service.....	12, 500
Maintenance and operation of buildings (guards).....	80, 500
Total.....	\$627, 500

National Gallery of Art.—The bill includes \$1,275,000 for salaries and expenses necessary to the operation of the National Gallery of Art. This sum is a reduction of \$153,050 under the 1953 appropriation, and is \$40,000 less than the budget estimate. The reductions have been applied to items set forth in the revised estimate submitted to the committee by the National Gallery of Art.

SUBVERSIVE ACTIVITIES CONTROL BOARD

This Board was established by the Internal Security Act of 1950 and is responsible for determination as to whether organizations are "Communist-action" or "Communist-front" organizations and whether an individual is an officer of either kind of organization or a member of a "Communist-action" organization.

During hearings on the bill the committee was advised that the Communist Party action case, which has been pending in the courts for more than a year, had not been decided and positive assurance was not given the committee that it would be concluded during the next fiscal year. In view of this situation the committee has effected a very substantial reduction in the estimate. The committee has recommended a total of \$200,000 which is \$91,305 less than the 1953 appropriation and \$200,000 below the budget estimate. The amount contained in the bill is provided to finance this agency until the Second Session of the present Congress. If, at that time, additional funds are needed the committee will consider a supplemental estimate to provide funds essential for the operation of the Board during the remainder of the year.

TARIFF COMMISSION

The committee has allowed a total of \$1,291,375 which is the amount of the 1953 appropriation and \$100,625 less than the budget estimate. The recommendation of the committee reflects the need for economy in all agencies and the committee will expect this Commission through increased efficiency of operations, to carry forward the workload in 1954 with the same appropriation as was provided for the current fiscal year.

TENNESSEE VALLEY AUTHORITY

Although TVA appropriations will be provided in a subsequent bill, the committee has held hearings on the question of the transfer of the administrative offices of the agency from Knoxville, Tennessee, to Muscle Shoals, Alabama. The plan provides for the acquisition of a building to be constructed at Muscle Shoals through a lease-purchase contract with the builder. The matter is being studied by the committee, including the cost to the government, the desirability of effecting the move at this time, and other phases of the question. There are far-reaching questions of policy involved in the final decision on the matter. For these reasons the committee requests that no further action be taken by TVA at this time. The committee proposes to submit a recommendation to the House concerning the matter at the time appropriations for this agency are presented in a bill which should be ready for consideration in the House during the latter part of May.

WAR CLAIMS COMMISSION

The War Claims Commission adjudicates the claims of internees, prisoners of war, and religious organizations and personnel thereof. The limit of time within which claims may be filed with the Commission expired on March 31, 1952. The Commission is required by law to terminate its activities not later than March 31, 1955.

The committee considered a budget estimate of \$900,000 for this purpose and has recommended a total of \$750,000. The committee feels also that the request for \$17,430 for payments above basic rates is excessive and that a substantial saving should be made in this estimate.

LIMITATIONS AND LEGISLATIVE PROVISIONS

The following limitations and legislative provisions not heretofore carried in connection with any appropriation bill are recommended:

On page 4, in connection with the Bureau of the Budget:

* * * *Provided further, That two positions of Assistant Director are hereby authorized at a salary of \$15,000 each per annum in lieu of two positions in grade GS-18.*

On page 7, in connection with the Civil Service Commission:

* * * *Provided further, That, effective July 1, 1953, or on the date of enactment of this Act if such date is subsequent to July 1, 1953, the Federal Personnel Council, Civil Service Commission, is hereby abolished, and its personnel (at a cost not exceeding \$25,000 for the current fiscal year), files, records, and other property are transferred to the Office of the Executive Director, Civil Service Commission.*

On page 11, in connection with the Federal Trade Commission:

* * * *Provided further, That no part of the foregoing appropriation shall be available for a statistical analysis of the consumer's dollar.*

On page 14, in connection with the appropriation for the Congress Street Post Office, Chicago, Illinois:

* * * *Provided, That this appropriation shall not be available until the city of Chicago shall have paid to the United States the sum of \$600,000 as its contribution to the cost of the project appropriated for herein, and said amount may be credited to this appropriation and shall be available for the purposes thereof.*

On page 20, in connection with the Office of the Administrator, Housing and Home Finance Agency:

* * * *Provided further, That the Administrator is authorized without regard to any other provisions of law to transfer without reimbursement any project or facility, or part thereof, constructed or provided under title II of the Act of October 14, 1940, as amended (including any personal property related to such project or facility), to any other department or agency, whenever the head of such department or agency so requests after determining that such project or facility is required for the continued operation of or is an integral part of a project or facility under the jurisdiction of such department or agency:*

On pages 20 and 21, in connection with the Office of the Administrator, Housing and Home Finance Agency:

* * * *Provided further, That the Administrator's general supervision and coordination responsibilities under Reorganization Plan Numbered 3 of 1947 shall carry full authority to assign and reassign functions, to reorganize and to make whatever changes, including the reallocation and transfer of administrative expense funds and authority where applicable, necessary to promote economy and efficiency in the operations of the Housing and Home Finance Agency:*

On page 21, in connection with the Office of the Administrator, Housing and Home Finance Agency:

* * * *Provided further, That the Administrator shall not expend more than \$21,000,000 during the fiscal year 1954 on loans to educational institutions not committed as of December 31, 1952.*

On pages 21 and 22, in connection with "Capital grants for slum clearance and urban redevelopment," Housing and Home Finance Agency:

* * * *Provided, That before approving any local slum clearance program under title I of the Housing Act of 1949, the Administrator shall give consideration to the efforts of the locality to enforce local codes and regulations relating to adequate standards of health, sanitation, and safety for dwellings and to the feasibility of achieving slum clearance objectives through rehabilitation of existing dwellings and areas:*

On page 22, in connection with "Capital grants for slum clearance and urban redevelopment," Housing and Home Finance Agency:

* * * *Provided, further, That the authority under title I of the National Housing Act shall be used to the utmost in connection with slum rehabilitation needs:*

On pages 23 and 24, in connection with the Public Housing Administration:

* * * *Provided further, That no housing shall be authorized by the Public Housing Administration, or, if under construction, continue to be constructed, in any community where the people of that community, by their duly elected representatives, or by referendum, or by any other legal method, have indicated they do not want it: Provided further, That the record of expenditure of the Public Housing Administration and of the local housing authority on any public housing project shall be open to examination by the responsible authorities of any community in which such project is located, or by the local public housing authority, or by any firm of public accountants retained by either of the foregoing:*

On page 28, in connection with the National Advisory Committee for Aeronautics:

* * * *including the acquisition of not to exceed ten acres of land adjacent to the Lewis Flight Propulsion Laboratory, Cleveland, Ohio,*

On page 33, in connection with the Subversive Activities Control Board:

* * * *without regard to the provisions of subsection (c) of section 3679 of the Revised Statutes, as amended.*

On page 39, in connection with the Federal National Mortgage Association:

* * * *Provided further, That no part of this authorization shall be used to effect purchases of new mortgages not committed as of June 30, 1953, or commit the Association to purchases of mortgages after June 30, 1953:*

On page 39, in connection with the Federal National Mortgage Association:

* * * *Provided further, That during the fiscal year 1954 the Administrator shall make every effort to dispose of at least \$1,000,000,000 of the mortgages held by the Association, subject, if necessary, to discounts he may consider reasonable and advisable in the circumstances, and to use the proceeds to reduce the borrowings from the Treasury.*

On page 45, in connection with the Public Housing Administration:

* * * *Provided further, That during the fiscal year 1954 the Commissioner shall make every effort to refund all local bonds held by the Public Housing Administration under the United States Housing Act of 1937, as amended.*

COMPLIANCE WITH RULE XIII—CLAUSE 3

The following is submitted in compliance with Clause 3, of rule XIII:

(PENDING BILL)

On page 4, lines 5 to 7, inclusive, in connection with the Bureau of the Budget:

Provided, That the title of the position of the Assistant Director of the Bureau of the Budget is changed to Deputy Director.

On page 22, lines 5 through 15:

Provided further, That section 110, subsection (e) of the Housing Act of 1949 is hereby amended to read: "Gross project cost" shall comprise (1) the amount of the expenditures by the local public agency with respect to any and all undertakings necessary to carry out the project (including the payment of carrying charges, but not beyond the point where the project is completed, and excluding expenditures for parks, playgrounds, public buildings, or similar facilities), and (2) the amount of such local grants-in-aid as are described in clause (2) of section 110 (d) hereof.

Page 24, lines 13 to 21, inclusive:

Provided further, That the limitation in clause (2) of the third proviso under this head in title I of the Independent Offices Appropriation Act, 1953, is amended to read as follows: "(2) after the date of approval of this Act, enter into any agreement, contract, or other arrangement which will bind the Public Housing Administration with respect to loans, annual contributions, or authorizations for commencement of construction, for any dwelling units or projects".

On page 29, lines 4 to 7, inclusive, in connection with the National Capital Housing Authority:

: Provided further, That so long as funds are available from appropriations for the foregoing purposes, the provisions of section 507 of the Housing Act of 1950 (Public Law 475, Eighty-first Congress) shall not be effective.

(EXISTING LAW)

31 U. S. C. 16, as amended:

There shall be in the bureau a director and an assistant director, who shall be appointed by the President and receive basic compensation at the rate of \$17,000 and \$16,000 per annum respectively.

Sec. 110 (e), Housing Act of 1949:

(e) "Gross project cost" shall comprise (1) the amount of the expenditures by the local public agency with respect to any and all undertakings necessary to carry out the project (including the payment of carrying charges, but not beyond the point where the project is completed), and (2) the amount of such local grants-in-aid as are furnished in forms other than cash.

Public Law 455, 82d Congress, annual contributions, Public Housing Administration:

* * * (2) after the date of approval of this Act, enter into any agreement, contract, or other arrangement which will bind the Public Housing Administration with respect to loans, annual contributions, or authorizations for commencement of construction, for dwelling units aggregating in excess of thirty-five thousand to be authorized for commencement of construction during any one fiscal year subsequent to the fiscal year 1953, unless a greater number of units is hereafter authorized by the Congress:

Section 507, Public Law 475, Eighty-first Congress:

SEC. 507. Notwithstanding the provisions of any other law, except provisions of law hereafter enacted expressly in limitation hereof, receipts of the National Capital Housing Authority from leases, sales, or other sources under title I of the District of Columbia Alley Dwelling Act are and shall remain avail-

(PENDING BILL)

On page 44, lines 4 to 7, inclusive:

* * * *Provided further, That the position of Assistant Commissioner, established pursuant to section 213 (f) of the National Housing Act, as amended, is no longer authorized.*

(EXISTING LAW)

able to the Authority for the purposes of said title I, subject to approval by the Public Housing Administration of budgets for maintenance and operation of properties administered under title I in the same manner as budgets are approved by said Administration with respect to maintenance and operation of projects under title II of said Act.

Section 213 (f), Public Law 475, 81st Congress:

* * *. In the performance of, and with respect to, the functions, powers, and duties vested in him by this section, the Commissioner, notwithstanding the provisions of any other law, shall appoint an Assistant Commissioner to administer the provisions of this section under the direction and supervision of the Commissioner.

ADMINISTRATIVE EXPENSES OF GOVERNMENT CORPORATIONS

[Limitations on amounts of corporate funds to be expended]

Corporation or agency	Authorization, 1953	Budget estimates, 1954	Recommended in bill for 1954	Bill compared with—	
				1953 authorization	1954 estimates
Housing and Home Finance Agency:					
Federal National Mortgage Association-----	¹ \$4, 189, 500	\$4, 600, 000	\$2, 300, 000	— \$1, 889, 500	— \$2, 300, 000
Housing loan programs-----	225, 000	780, 000	411, 250	+ 186, 250	— 368, 750
Home Loan Bank Board-----	725, 000	775, 000	775, 000	+ 50, 000	-----
Federal Savings and Loan Insurance Corporation-----	425, 000	455, 000	455, 000	+ 30, 000	-----
Home Owners' Loan Corporation-----	(²)	(³)	(⁴)	-----	-----
Federal Housing Administration-----	4, 885, 000	5, 900, 000	5, 045, 590	+ 160, 590	— 854, 410
Public Housing Administration-----	⁵ 12, 967, 735	⁶ 15, 600, 000	⁷ 8, 973, 000	— 3, 994, 735	— 6, 627, 000
Total-----	23, 417, 235	28, 110, 000	17, 959, 840	— 5, 457, 395	— 10, 150, 160

¹ Limitation on administrative expenses increased by \$680,000 in the Supplemental Appropriation Act, 1953.² \$75,000 continued available for nonadministrative expenses to carry out final liquidation.³ Unobligated balance of prior year funds continued.⁴ \$10,000 continued available until Oct. 31, 1953, to carry out final liquidation.⁵ Limitation on administrative expenses increased by \$1,433,735 in the Supplemental Appropriation Act, 1953. Amount includes \$9,638,735 of appropriated funds, and \$3,329,000 of corporate funds.⁶ Amount includes \$11,300,000 of appropriated funds, \$100,000 made available from funds for Defense Housing, and \$4,200,000 of corporate funds.⁷ Amount includes \$4,948,000 of funds appropriated in title I, \$100,000 made available from funds for Defense Housing, and \$3,925,000 of corporate funds.

COMPARATIVE STATEMENT OF APPROPRIATIONS FOR 1953 AND ESTIMATES FOR 1954, PERMANENT AND INDEFINITE ANNUAL APPROPRIATIONS

Object	Appropriations, 1953	Estimates, 1954	Increase (+) or decrease (-)
Federal Power Commission: Payments to States under Federal Power Act-----	\$38, 826	\$93, 000	+ \$54, 174

COMPARATIVE STATEMENT OF APPROPRIATIONS FOR 1953, ESTIMATES FOR 1954, AND AMOUNTS RECOMMENDED IN THE BILL FOR 1954

Corporation or agency	Appropriations, 1953	Budget estimates, 1954	Recommended in bill for 1954	Bill compared with—	
				1953 appropriations	1954 estimates
EXECUTIVE OFFICE OF THE PRESIDENT					
Compensation of the President.....	\$150, 000	\$150, 000	\$150, 000	-----	-----
The White House Office.....	¹ 1, 957, 643	1, 904, 790	1, 800, 000	—\$157, 643	—\$104, 790
Emergency fund for the President (national defense)---	² 250, 000	1, 000, 000	³ 500, 000	+250, 000	—500, 000
Executive Mansion and grounds.....	341, 200	367, 200	356, 184	+14, 984	—11, 016
Bureau of the Budget.....	3, 461, 200	3, 700, 000	3, 412, 000	—49, 200	—288, 000
Council of Economic Advisers.....	⁴ 225, 000	300, 000	-----	—225, 000	—300, 000
Total, Executive Office of the President.....	6, 385, 043	7, 421, 990	6, 218, 184	—166, 859	—1, 203, 806

¹ Includes \$50,000 contained in the Second Supplemental Appropriation Act, 1953.

² \$100,000 of prior year appropriations continued available in the Independent Offices Appropriation Act, 1953, and the appropriation of \$250,000 is contained in the Second Supplemental Appropriation Act, 1953.

³ And unobligated balance in fund on June 30, 1953, is continued available.

⁴ To remain available until Mar. 31, 1953.

Comparative statement of appropriations for 1953, estimates for 1954, and amounts recommended in the bill for 1954—Con.

Corporation or agency	Appropriations, 1953	Budget estimates, 1954	Recommended in bill for 1954	Bill compared with—	
				1953 appropriations	1954 estimates
INDEPENDENT OFFICES					
AMERICAN BATTLE MONUMENTS COMMISSION					
Salaries and expenses-----	\$ 719, 550	\$780, 000	\$750, 000	+ \$30, 450	— \$30, 000
Construction of memorials and cemeteries-----	\$ 5, 000, 000	9, 500, 000	9, 500, 000	+ 4, 500, 000	-----
Dedication of World War II memorials-----	7 30, 000	-----	-----	— 30, 000	-----
Total, American Battle Monuments Commission-----	5, 749, 550	10, 280, 000	10, 250, 000	+ 4, 500, 450	— 30, 000
CIVIL SERVICE COMMISSION					
Salaries and expenses-----	18, 703, 350	20, 300, 000	16, 064, 323	-- 2, 639, 027	— 4, 235, 677
Annuities, Panama Canal construction employees and Lighthouse Service widows-----	2, 707, 000	2, 600, 000	2, 500, 000	— 207, 000	— 100, 000
Payment to civil-service retirement and disability fund (normal cost)-----	321, 450, 000	176, 139, 000	-----	— 321, 450, 000	— 176, 139, 000
Payment to civil-service retirement and disability fund (interest)-----	-----	\$ 192, 015, 000	-----	-----	— 192, 015, 000
Payment to civil-service retirement and disability fund for increases in annuities-----	-----	58, 987, 000	31, 397, 000	+ 31, 397, 000	— 27, 590, 000
Total, Civil Service Commission-----	342, 860, 350	450, 041, 000	49, 961, 323	— 292, 899, 027	— 400, 079, 677
FEDERAL COMMUNICATIONS COMMISSION-----	6, 408, 460	8, 000, 000	7, 100, 000	+ 691, 540	— 900, 000

FEDERAL POWER COMMISSION-----	4, 085, 700	4, 570, 000	4, 300, 000	+214, 300	-270, 000
FEDERAL TRADE COMMISSION-----	⁹ 4, 178, 800	5, 500, 000	4, 178, 800	-----	-1, 321, 200
GENERAL ACCOUNTING OFFICE-----	32, 060, 000	32, 000, 000	31, 981, 000	-79, 000	-19, 000
GENERAL SERVICES ADMINISTRATION					
Operating expenses, Public Buildings Service-----	101, 046, 030	121, 000, 000	98, 826, 070	-2, 219, 960	-22, 173, 930
Emergency operating expenses-----	22, 668, 250	28, 180, 000	22, 668, 250	-----	-5, 511, 750
Repair, improvement, and equipment of federally owned buildings outside the District of Columbia-----	-----	25, 000, 000	18, 000, 000	+18, 000, 000	-7, 000, 000
Renovation and improvement of federally owned buildings outside the District of Columbia-----	4, 750, 000	⁽¹⁰⁾ -----	⁽¹⁰⁾ -----	-4, 750, 000	-----
Repair, preservation, and equipment, outside the District of Columbia-----	9, 250, 000	⁽¹⁰⁾ -----	⁽¹⁰⁾ -----	-9, 250, 000	-----
Buildings management fund-----	-----	¹¹ 6, 000, 000	3, 000, 000	+3, 000, 000	-3, 000, 000
Hospital facilities in the District of Columbia-----	¹² 11, 400, 000	-----	-----	-11, 400, 000	-----
Hospital facilities in the District of Columbia (liquida- tion of contract authorization)-----	-----	3, 000, 000	-----	-----	-3, 000, 000
Remodeling the Congress Street Post Office, Chicago, Ill-----	-----	576, 200	576, 200	+576, 200	-----

⁵ Includes \$319,550 in foreign credits.⁶ Includes \$4,500,000 in foreign credits.⁷ Contained in the Supplemental Appropriation Act, 1953.⁸ Contained in the budget estimates as an indefinite appropriation.⁹ Includes \$125,000 contained in the Supplemental Appropriation Act, 1953.¹⁰ Consolidated in above appropriation.¹¹ Contained in H. Doc. No. 62.¹² Contained in the Supplemental Appropriation Act, 1953.

Comparative statement of appropriations for 1953, estimates for 1954, and amounts recommended in the bill for 1954—Con,

Corporation or agency	Appropriations, 1953	Budget estimates, 1954	Recommended in bill for 1954	Bill compared with—	
				1953 appropriations	1954 estimates
INDEPENDENT OFFICES—Continued					
GENERAL SERVICES ADMINISTRATION—continued					
Operating expenses, Federal Supply Service-----	\$2, 154, 100	\$3, 775, 000	\$2, 605, 000	+\$450, 900	—\$1, 170, 000
Expenses, general supply fund-----	14, 536, 500	17, 500, 000	13, 924, 500	—612, 000	—3, 575, 500
Operating expenses, National Archives and Records Service-----	4, 868, 200	6, 250, 000	5, 625, 000	+756, 800	—625, 000
Administrative operations-----	4, 140, 750	5, 300, 000	4, 140, 750	-----	—1, 159, 250
Refunds under Renegotiation Act-----	9, 300, 000	9, 000, 000	9, 000, 000	—300, 000	-----
Strategic and critical materials-----	133, 979, 000	188, 000, 000	-----	—133, 979, 000	—188, 000, 000
Strategic and critical materials (liquidation of contract authorization)-----	70, 000, 000	37, 000, 000	-----	—70, 000, 000	—37, 000, 000
Total, General Services Administration-----	388, 092, 830	450, 581, 200	178, 365, 770	—209, 727, 060	—272, 215, 430
HOUSING AND HOME FINANCE AGENCY					
Office of the Administrator:					
Salaries and expenses-----	4, 606, 000	4, 550, 000	2, 587, 100	—2, 018, 900	—1, 962, 900
Defense Community facilities and services-----	(¹³)	(¹⁴)	(¹³)	-----	-----
Capital grants for slum clearance and urban re- development-----	12 8, 000, 000	20, 000, 000	20, 000, 000	+12, 000, 000	-----

Alaska Housing-----	12 4, 000, 000	-----	-----	-----	-4, 000, 000	-----
Total, Office of the Administrator-----	16, 606, 000	24, 550, 000	22, 587, 100	+5, 981, 100	-1, 962, 900	-----
Public Housing Administration:						
Administrative expenses-----	8, 000, 000	11, 300, 000	4, 948, 000	-3, 052, 000	-6, 352, 000	-----
Annual contributions-----	29, 880, 000	39, 700, 000	32, 500, 000	+2, 620, 000	-7, 200, 000	-----
Defense Housing-----	15 50, 000, 000	-----	-----	-50, 000, 000	-----	-----
Total, Public Housing Administration-----	87, 880, 000	51, 000, 000	37, 448, 000	-50, 432, 000	-13, 552, 000	-----
Total, Housing and Home Finance Agency-----	104, 486, 000	75, 550, 000	60, 035, 100	-44, 450, 900	-15, 514, 900	-----
INDIAN CLAIMS COMMISSION-----	91, 400	140, 000	111, 020	+19, 620	-28, 980	-----
INTERSTATE COMMERCE COMMISSION						
General expenses-----	9, 319, 500	10, 400, 000	9, 466, 176	+146, 676	-933, 824	-----
Railroad safety-----	974, 500	1, 010, 000	974, 500	-----	-35, 500	-----
Locomotive inspection-----	709, 500	740, 000	709, 500	-----	-30, 500	-----
Total, Interstate Commerce Commission-----	11, 003, 500	12, 150, 000	11, 150, 176	+146, 676	-999, 824	-----
INTERSTATE COMMISSION ON THE POTOMAC RIVER BASIN--	5, 000	5, 000	5, 000	-----	-----	-----

12 Contained in the Supplemental Appropriation Act, 1953.
13 Not to exceed \$112,500 of prior year appropriations continued available for administrative expenses.
14 Not to exceed \$115,000 of prior year appropriations continued available for administrative expenses.
15 Contained in the Supplemental Appropriation Act, 1953.

Comparative statement of appropriations for 1953, estimates for 1954, and amounts recommended in the bill for 1954—Con.

Corporation or agency	Appropriations, 1953	Budget estimates, 1954	Recommended in bill for 1954	Bill compared with—	
				1953 appropriations	1954 estimates
INDEPENDENT OFFICES—Continued					
NATIONAL ADVISORY COMMITTEE FOR AERONAUTICS					
Salaries and expenses-----	\$48, 586, 100	\$58, 830, 000	\$52, 988, 050	+\$4, 401, 950	—\$5, 841, 950
Construction and equipment-----	16, 700, 000	14, 600, 000	7, 239, 000	—9, 461, 000	—7, 361, 000
Construction and equipment (liquidation of contract authorization)-----	1, 000, 000	4, 200, 000	4, 200, 000	+3, 200, 000	-----
Total, National Advisory Committee for Aero- nautics-----	66, 286, 100	77, 630, 000	64, 427, 050	—1, 859, 050	—13, 202, 950
NATIONAL CAPITAL HOUSING AUTHORITY-----	45, 000	48, 000	43, 000	—2, 000	—5, 000
NATIONAL CAPITAL PLANNING COMMISSION					
Salaries and expenses-----	-----	175, 000	97, 915	+97, 915	—77, 085
Land acquisition-----	66, 000	1, 250, 000	-----	—66, 000	—1, 250, 000
Total, National Capital Planning Commission-----	66, 000	1, 425, 000	97, 915	+31, 915	—1, 327, 085
NATIONAL SCIENCE FOUNDATION-----					
RENEGOTIATION BOARD-----	4, 750, 000	15, 000, 000	5, 724, 400	+974, 400	—9, 275, 600
SECURITIES AND EXCHANGE COMMISSION-----	5, 407, 800	8, 500, 000	5, 192, 800	—215, 000	—3, 307, 200
	5, 245, 080	6, 000, 000	5, 245, 080	-----	—754, 920

SMITHSONIAN INSTITUTION

Salaries and expenses-----	2, 419, 500	3, 525, 000	2, 897, 500	+ 478, 000	- 627, 500
National Gallery of Art, salaries and expenses-----	¹⁶ 1, 428, 050	1, 315, 000	1, 275, 000	- 153, 050	- 40, 000
Total, Smithsonian Institution-----	3, 847, 550	4, 840, 000	4, 172, 500	+ 324, 950	- 667, 500
SUBVERSIVE ACTIVITIES BOARD-----	291, 305	400, 000	200, 000	- 91, 305	- 200, 000
TARIFF COMMISSION-----	1, 291, 375	1, 392, 000	1, 291, 375	-----	- 100, 625
THE TAX COURT OF THE UNITED STATES-----	900, 000	970, 000	970, 000	+ 70, 000	-----
WAR CLAIMS COMMISSION					
Payment of claims-----	(¹⁷)	(¹⁷)	(¹⁷)	-----	-----
Administrative expenses-----	(¹⁸)	(¹⁹)	(²⁰)	-----	-----
Total, title I, Executive Office of the President and independent offices-----	993, 536, 843	1, 172, 444, 190	451, 020, 493	- 542, 516, 350	- 721, 423, 697

SUMMARY TABLE SHOWING TOTAL SAVINGS AND IMPROVEMENT OF CASH POSITION OF THE GOVERNMENT
RESULTING FROM ACTION RECOMMENDED BY THE COMMITTEE

Reduction in budget estimates-----	\$721, 423, 697
Rescission of appropriations (General Services Administration)-----	1, 284, 000
Rescission of appropriations (Housing and Home Finance Agency)-----	27, 100, 000
Reduction in number of housing units to be started in fiscal year 1954 from 75,000 proposed in the budget-----	795, 000, 000
Limitation on expenditures for housing loans to educational institutions to \$21,000,000-----	10, 000, 000
Disposal of mortgages held by FNMA-----	1, 000, 000, 000
Refunding of bonds of local housing authorities held by the Public Housing Administration-----	271, 088, 000
Total-----	2, 825, 895, 697

¹⁶ Includes \$187,500 contained in the Supplemental Appropriation Act, 1953.

¹⁷ Funds deposited in the Treasury to the credit of the war claims fund available for payment of claims.

¹⁸ Amount of \$984,550 available from war claims fund for administrative expenses, including \$250,000 made available in the Supplemental Appropriation Act, 1953.

¹⁹ Amount of \$900,000 available from war claims fund for administrative expenses.

²⁰ Amount of \$750,000 available from war claims fund for administrative expenses.

Union Calendar No. 81

83^d CONGRESS
1ST SESSION

H. R. 4663

[Report No. 276]

IN THE HOUSE OF REPRESENTATIVES

APRIL 17, 1953

Mr. PHILLIPS, from the Committee on Appropriations, reported the following bill; which was committed to the Committee of the Whole House on the State of the Union and ordered to be printed

A BILL

Making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1954, and for other purposes.

- 1 *Be it enacted by the Senate and House of Representa-*
- 2 *tives of the United States of America in Congress assembled,*
- 3 That the following sums are appropriated, out of any money
- 4 in the Treasury not otherwise appropriated, for the Execu-
- 5 tive Office and sundry independent executive bureaus, boards,

1 commissions, corporations, agencies, and offices, for the fiscal
2 year ending June 30, 1954, namely:

3 TITLE I

4 EXECUTIVE OFFICE OF THE PRESIDENT

5 COMPENSATION OF THE PRESIDENT

6 For compensation of the President, including an expense
7 allowance at the rate of \$50,000 per annum, as authorized
8 by the Act of January 19, 1949 (3 U. S. C. 102),
9 \$150,000.

10 THE WHITE HOUSE OFFICE

11 Salaries and expenses: For expenses necessary for The
12 White House Office, including not to exceed \$120,000 for
13 services as authorized by section 15 of the Act of August
14 2, 1946 (5 U. S. C. 55a), at such per diem rates for in-
15 dividuals as the President may specify, and other personal
16 services without regard to the provisions of law regulating
17 the employment and compensation of persons in the Govern-
18 ment service; and travel and official entertainment expenses
19 of the President, to be accounted for solely on his certificate;
20 \$1,800,000.

21 EMERGENCY FUND FOR THE PRESIDENT

22 NATIONAL DEFENSE

23 For expenses necessary to enable the President, through
24 such officers or agencies of the Government as he may des-
25 ignate, and without regard to such provisions of law regard-

1 ing the expenditure of Government funds or the compensation
2 and employment of persons in the Government service as
3 he may specify, to provide in his discretion for emergencies
4 affecting the national interest, security, or defense which may
5 arise at home or abroad during the current fiscal year,
6 \$500,000, together with the unobligated balance in such
7 fund on June 30, 1953: *Provided*, That no part of this
8 appropriation shall be available for allocation to finance a
9 function or project for which function or project a budget
10 estimate of appropriation was transmitted pursuant to law
11 during the Eighty-third Congress and such appropriation
12 denied after consideration thereof by the Senate or House of
13 Representatives or by the Committee on Appropriations of
14 either body.

15 EXECUTIVE MANSION AND GROUNDS

16 For the care, maintenance, repair and alteration, re-
17 furnishing, improvement, heating and lighting, including
18 electric power and fixtures, of the Executive Mansion and
19 the Executive Mansion grounds, and traveling expenses, to
20 be expended as the President may determine, notwithstand-
21 ing the provisions of this or any other Act, \$356,184.

22 BUREAU OF THE BUDGET

23 Salaries and expenses: For expenses necessary for the
24 Bureau of the Budget, including newspapers and periodicals
25 (not exceeding \$200) ; teletype news service (not exceed-

1 ing \$900) ; not to exceed \$70,000 for expenses of travel; and
 2 not to exceed \$20,000 for services as authorized by section 15
 3 of the Act of August 2, 1946 (5 U. S. C. 55a) , at rates not
 4 to exceed \$50 per diem for individuals; \$3,412,000: *Pro-*
 5 *vided*, That the title of the position of the Assistant Di-
 6 rector of the Bureau of the Budget is changed to Deputy
 7 Director: *Provided further*, That two positions of Assistant
 8 Director are hereby authorized at a salary of \$15,000 each
 9 per annum in lieu of two positions in grade GS-18.

10 INDEPENDENT OFFICES

11 AMERICAN BATTLE MONUMENTS COMMISSION

12 SALARIES AND EXPENSES

13 Salaries and expenses: For necessary expenses, as au-
 14 thorized by the Act of June 26, 1946 (36 U. S. C. 121,
 15 123-132, 138) , including the acquisition of land or interest
 16 in land in foreign countries; purchase and repair of uniforms
 17 for caretakers of national cemeteries and monuments outside
 18 of the United States and its Territories and possessions at a
 19 cost not exceeding \$500; not to exceed \$8,000 for
 20 expenses of travel; rent of office and garage space in foreign
 21 countries; and insurance of official motor vehicles in
 22 foreign countries when required by law of such countries;
 23 \$750,000: *Provided*, That where station allowance has been
 24 authorized by the Department of the Army for officers of the
 25 Army serving the Army at certain foreign stations, the same

1 allowance shall be authorized for officers of the Armed Forces
 2 assigned to the Commission while serving at the same foreign
 3 stations, and this appropriation is hereby made available for
 4 the payment of such allowance: *Provided further*, That when
 5 traveling on business of the Commission, officers of the Armed
 6 Forces serving as members or as secretary of the Commission
 7 may be reimbursed for expenses as provided for civilian
 8 members of the Commission.

9 CONSTRUCTION OF MEMORIALS AND CEMETERIES

10 Construction of memorials and cemeteries: For expenses
 11 necessary for the permanent design and construction of
 12 memorials and cemeteries in foreign countries as authorized
 13 by the Act of June 26, 1946 (36 U. S. C. 121, 123-132,
 14 138b), and the Act of August 5, 1947 (50 U. S. C. App.
 15 1819), including not to exceed \$27,520 for expenses of
 16 travel, \$9,500,000, to remain available until expended.

17 CIVIL SERVICE COMMISSION

18 Salaries and expenses: For necessary expenses, includ-
 19 ing not to exceed \$29,000 for services as authorized by
 20 section 15 of the Act of August 2, 1946 (5 U. S. C. 55a);
 21 not to exceed \$10,000 for medical examinations performed
 22 for veterans by private physicians on a fee basis; travel
 23 expenses of examiners acting under the direction of the Com-
 24 mission, and expenses of examinations and investigations held
 25 in Washington and elsewhere; not to exceed \$100 for the

1 purchase of newspapers and periodicals (excluding scientific,
2 technical, trade or traffic periodicals, for official use) ; pay-
3 ment in advance for library membership in societies whose
4 publications are available to members only or to members at
5 a price lower than to the general public; not to exceed
6 \$65,000 for performing the duties imposed upon the Com-
7 mission by the Act of July 19, 1940 (54 Stat. 767) ;
8 reimbursement of the General Services Administration for
9 security guard services for protection of confidential files;
10 not to exceed \$383,335 for expenses of travel; and not to
11 exceed \$5,000 for actuarial services by contract, without
12 regard to section 3709, Revised Statutes, as amended;
13 \$16,064,323: *Provided*, That no details from any execu-
14 tive department or independent establishment in the
15 District of Columbia or elsewhere to the Commission's
16 central office in Washington or to any of its regional offices
17 shall be made during the current fiscal year, but this shall
18 not affect the making of details for service as members of the
19 boards of examiners outside the immediate offices of the Com-
20 mission in Washington or of the regional directors, nor shall
21 it affect the making of details of persons qualified to serve as
22 expert examiners on special subjects: *Provided further*, That
23 the Civil Service Commission shall have power in case of
24 emergency to transfer or detail any of its employees to or
25 from its office or field force: *Provided further*, That members

1 of the Loyalty Review Board in Washington and of the
2 regional loyalty boards in the field may be paid actual trans-
3 portation expenses, and per diem in lieu of subsistence author-
4 ized by the Travel Expense Act of 1949 while traveling on
5 official business away from their homes or regular places of
6 business, and while en route to and from and at the place
7 where their services are to be performed: *Provided further,*
8 That nothing in section 281 or 283 of title 18, United States
9 Code, or in section 190 of the Revised Statutes (5 U. S. C.
10 99) shall be deemed to apply to any person because of his
11 appointment for part-time or intermittent service as a mem-
12 ber of the Loyalty Review Board or a regional loyalty board
13 in the Civil Service Commission: *Provided further,* That,
14 effective July 1, 1953, or on the date of enactment of this
15 Act if such date is subsequent to July 1, 1953, the Federal
16 Personnel Council, Civil Service Commission, is hereby
17 abolished, and its personnel (at a cost not exceeding \$25,000
18 for the current fiscal year), files, records, and other property
19 are transferred to the Office of the Executive Director, Civil
20 Service Commission.

21 No part of the appropriations herein made to the Civil
22 Service Commission shall be available for the salaries and
23 expenses of the Legal Examining Unit in the Examining
24 and Personnel Utilization Division of the Commission, es-
25 tablished pursuant to Executive Order Numbered 9358 of

1 July 1, 1943, or for the compensation or expenses of any
2 member of a board of examiners (1) who has not made
3 affidavit that he has not appeared in any agency proceeding
4 within the preceding two years, and will not thereafter while
5 a board member appear in any agency proceeding, as a party,
6 or in behalf of a party to the proceeding, before an agency in
7 which an applicant is employed who has been rated or will
8 be rated by such member; or (2) who, after making such
9 affidavit, has rated an applicant who at the time of the rating
10 is employed by an agency before which the board member
11 has appeared as a party, or in behalf of a party, within the
12 preceding two years: *Provided*, That the definitions of
13 “agency”, “agency proceeding”, and “party” in section 2
14 of the Administrative Procedure Act shall apply to these
15 terms as used herein.

16 No part of appropriations herein shall be used to pay the
17 compensation of officers and employees of the Civil Service
18 Commission who allocate or reallocate supervisory positions
19 in the classified civil service solely on the size of the group,
20 section, bureau, or other organization unit, or on the number
21 of subordinates supervised. References to size of the group,
22 section, bureau, or other organization unit or the number of
23 subordinates supervised may be given effect only to the ex-
24 tent warranted by the workload of such organization unit
25 and then only in combination with other factors, such as the

1 kind, difficulty, and complexity of work supervised, the de-
2 gree and scope of responsibility delegated to the supervisor,
3 and the kind, degree, and value of the supervision actually
4 exercised.

5 Annuities, Panama Canal construction employees and
6 Lighthouse Service widows: For payment of annuities au-
7 thorized by the Act of May 29, 1944, as amended (48
8 U. S. C. 1373a), and the Act of August 19, 1950 (64 Stat.
9 465), \$2,500,000.

10 Payment to the civil-service retirement and disability
11 fund for increases in annuities provided by the Act of July
12 16, 1952: For payment to the "civil-service retirement and
13 disability fund" for the cost, as heretofore determined by
14 the Civil Service Commission, of increases in annuities pro-
15 vided by the Act of July 16, 1952 (66 Stat. 723), for
16 the fiscal year 1954, \$31,397,000.

17 FEDERAL COMMUNICATIONS COMMISSION

18 Salaries and expenses: For necessary expenses in per-
19 forming the duties of the Commission as authorized by law,
20 including newspapers (not to exceed \$175), land and
21 structures (not to exceed \$3,000), special counsel fees, im-
22 provement and care of grounds and repairs to buildings (not
23 to exceed \$17,500), services as authorized by section 15
24 of the Act of August 2, 1946 (5 U. S. C. 55a), and not

1 to exceed \$73,335 for expenses of travel, \$7,100,000, of
2 which not less than \$935,000 shall be available for personal
3 services necessary for application processing and hearings in
4 connection with the issuance and renewal of television
5 licenses, and not less than \$809,271 shall be available for
6 personal services necessary for application processing and
7 hearings in connection with the issuance of licenses in the
8 safety and special radio services.

9 FEDERAL POWER COMMISSION

10 Salaries and expenses: For expenses necessary for the
11 work of the Commission, as authorized by law, including
12 not to exceed \$173,335 for expenses of travel; hire of pas-
13 senger motor vehicles; and not to exceed \$500 for news-
14 papers; \$4,300,000, of which not to exceed \$10,000 shall
15 be available for special counsel and services as author-
16 ized by section 15 of the Act of August 2, 1946 (5 U. S. C.
17 55a), but at rates not exceeding \$50 per diem for
18 individuals.

19 FEDERAL TRADE COMMISSION

20 Salaries and expenses: For necessary expenses of the
21 Federal Trade Commission, including contract stenographic
22 reporting services, not to exceed \$500 for newspapers, and
23 not to exceed \$163,035 for expenses of travel, \$4,178,800:
24 *Provided*, That no part of the foregoing appropriation shall
25 be expended upon any investigation hereafter provided by

1 concurrent resolution of the Congress until funds are appro-
2 priated subsequently to the enactment of such resolution to
3 finance the cost of such investigation: *Provided further,*
4 That no part of the foregoing appropriation shall be available
5 for a statistical analysis of the consumer's dollar.

6 GENERAL ACCOUNTING OFFICE

7 Salaries and expenses: For necessary expenses of the
8 General Accounting Office, including newspapers and peri-
9 odicals (not exceeding \$500), and services as authorized
10 by section 15 of the Act of August 2, 1946 (5 U. S. C. 55a),
11 \$31,981,000.

12 GENERAL SERVICES ADMINISTRATION

13 Operating expenses, Public Buildings Service: For
14 necessary expenses of real property management and
15 related activities as provided by law; including the salary
16 of the Commissioner of Public Buildings at the rate of
17 \$16,500 per annum so long as the position is held by the
18 present incumbent; repair and improvement of public
19 buildings and grounds (including furnishings and equip-
20 ment) under the control of the General Services Adminis-
21 tration; rental of buildings in the District of Columbia;
22 restoration of leased premises; moving Government agen-
23 cies in connection with the assignment, allocation, and
24 transfer of building space; demolition of buildings; acquisition
25 by purchase or otherwise and disposal by sale or otherwise

1 of real estate and interests therein; and not to exceed
2 \$161,200 for expenses of travel; \$98,826,070: *Provided*,
3 That the foregoing appropriation shall not be available to
4 effect the moving of Government agencies from the District of
5 Columbia into buildings acquired to accomplish the dispersal
6 of departmental functions of the executive establishment
7 into areas outside of but accessible to the District of
8 Columbia.

9 Emergency operating expenses: For necessary emergency
10 expenses of the General Services Administration not other-
11 wise provided for, for operation, maintenance, protection,
12 repair, alterations, and improvements of public buildings and
13 grounds (including furnishings and equipment) to the extent
14 that such buildings and grounds are under the control of the
15 General Services Administration for such purposes as are
16 provided for in Public Law 152, Eighty-first Congress, as
17 amended; rental of buildings or parts thereof in the District
18 of Columbia and elsewhere, including repairs, alterations,
19 and improvements necessary for proper use by the Govern-
20 ment, without regard to section 322 of the Act of June 30,
21 1932, as amended (40 U. S. C. 278a) ; restoration of leased
22 premises; moving Government agencies in connection with
23 the assignment, allocation, and transfer of building space; and
24 not to exceed \$22,865 for expenses of travel; \$22,668,250:
25 *Provided*, That of this amount, such sums as may be deter-

1 mined by the General Services Administrator to be necessary
2 may be paid into other appropriations of the General Services
3 Administration only for purposes of accounting: *Provided*
4 *further*, That no part of this appropriation shall be available
5 to effect the moving of Government agencies from the District
6 of Columbia to accomplish the dispersal of departmental
7 functions.

8 Repair, improvement, and equipment of federally owned
9 buildings outside the District of Columbia: For expenses nec-
10 essary for the repair, alteration, preservation, renovation,
11 improvement, equipment, and demolition of federally owned
12 buildings outside the District of Columbia, not otherwise pro-
13 vided for, including grounds, approaches and appurtenances,
14 wharves and piers, together with the necessary dredging
15 adjacent thereto; acquisition of land as authorized by title III
16 of the Act of June 16, 1949 (40 U. S. C. 297) ; not to
17 exceed \$133,400 for expenses of travel; and care and safe-
18 guarding of sites acquired for Federal buildings; \$18,000,-
19 000, to remain available until expended.

20 Buildings management fund: For working capital for the
21 "Buildings management fund", authorized by the Act ap-
22 proved July 12, 1952 (66 Stat. 594), \$3,000,000, to
23 remain available without fiscal year limitation.

24 Remodeling the Congress Street Post Office, Chicago,
25 Illinois: For remodeling the Congress Street Post Office

1 building and facilities in Chicago, Illinois, including ramps
2 and approach roadways, as authorized by section 408 of the
3 Public Buildings Act of 1949 (63 Stat. 176), to permit
4 Congress Street to be developed, by the City of Chicago, as a
5 superhighway through said post office, and including not
6 to exceed \$800 for expenses of travel, \$576,200, to remain
7 available until expended: *Provided*, That this appropriation
8 shall not be available until the city of Chicago shall have
9 paid to the United States the sum of \$600,000 as its con-
10 tribution to the cost of the project appropriated for herein,
11 and said amount may be credited to this appropriation and
12 shall be available for the purposes thereof.

13 Operating expenses, Federal Supply Service: For neces-
14 sary expenses of personal property management and related
15 activities as provided by law; including not to exceed \$300
16 for the purchase of newspapers and periodicals; and not
17 to exceed \$79,865 for expenses of travel; \$2,605,000.

18 Expenses, general supply fund: For expenses necessary
19 for operation of the general supply fund (except those
20 authorized by law to be charged to said fund), including
21 contractual services incident to receiving, handling, and
22 shipping warehouse items; not to exceed \$250 for purchase
23 of newspapers and periodicals; and not to exceed \$140,700
24 for expenses of travel; \$13,924,500: *Provided*, That funds
25 available to the General Services Administration for the cur-

1 rent fiscal year shall be available for the hire of passenger
2 motor vehicles.

3 Operating expenses, National Archives and Records
4 Service: For necessary expenses in connection with Federal
5 records management and related activities as provided by
6 law; and not to exceed \$24,600 for expenses of travel;
7 \$5,625,000, of which \$200,000 shall remain available until
8 expended for nitrate film conversion.

9 Administrative operations: For necessary expenses of
10 executive direction for activities under the control of the
11 General Services Administration, of administrative operations
12 for activities under regular appropriations for "Operating
13 expenses," and of processing and determining renegotiation
14 rebates; including not to exceed \$88,600 for expenses of
15 travel; and not to exceed \$250 for purchase of newspapers
16 and periodicals; \$4,140,750.

17 Refunds under Renegotiation Act: For refunds under
18 section 201 (f) of the Renegotiation Act of 1951,
19 \$9,000,000, which, together with the unobligated balance
20 of the appropriations granted under this head for the fiscal
21 years 1952 and 1953, shall remain available until June 30,
22 1955: *Provided*, That to the extent refunds are made from
23 this appropriation of excessive profits collected under the Re-
24 negotiation Act and retained by the Reconstruction Finance
25 Corporation or any of its subsidiaries, the Reconstruction

1 Finance Corporation or the appropriate subsidiary shall
2 reimburse this appropriation.

3 Strategic and critical materials: Funds available for
4 this purpose during the current fiscal year shall be available
5 for services as authorized by section 15 of the Act of
6 August 2, 1946 (5 U. S. C. 55a), and not to exceed
7 \$143,000 of such funds shall be available for expenses of
8 travel: *Provided*, That any funds received as proceeds from
9 sale or other disposition of materials on account of the
10 rotation of stocks under said Act shall be deposited to the
11 credit, and be available for expenditure for the purposes,
12 of this appropriation: *Provided further*, That during the
13 current fiscal year, there shall be no limitation on the value
14 of surplus strategic and critical materials which, in accord-
15 ance with subsection 6 (a) of the Act of July 23, 1946
16 (50 U. S. C. 98e (a)), may be transferred to stockpiles
17 established in accordance with said Act.

18 Strategic and critical materials (liquidation of contract
19 authorization): For liquidation of obligations incurred pur-
20 suant to authority heretofore granted under this head, to
21 enter into contracts for the purpose of the Strategic and
22 Critical Materials Stock Piling Act of July 23, 1946, not
23 to exceed \$30,000,000 may be expended from funds previ-
24 ously appropriated under the title "Strategic and critical
25 materials": *Provided*, That this amount may be disbursed

1 through the appropriation "Strategic and critical materials"
2 but shall be accounted for separately therein.

3 The appropriate foregoing appropriation to the General
4 Services Administration shall be credited with (1) advances
5 or reimbursements for salaries and administrative expenses
6 chargeable against other appropriations of the General Serv-
7 ices Administration, and such salaries and expenses may be
8 paid from such foregoing appropriation; (2) cost of mainte-
9 nance, upkeep, and repair included as part of rentals received
10 from Government corporations pursuant to law (40 U. S. C.
11 129) ; (3) reimbursements for services performed in respect
12 to bonds and other obligations under the jurisdiction of the
13 General Services Administration, issued by public authorities,
14 States, or other public bodies, and such services in respect
15 to such bonds or obligations as the Administrator deems
16 necessary and in the public interest may, upon the request
17 and at the expense of the issuing agencies, be provided from
18 the appropriate foregoing appropriation; and (4) appro-
19 priations or funds available to other agencies, and transferred
20 to the General Services Administration, in connection with
21 property transferred to the General Services Administration
22 pursuant to the Act of July 2, 1948 (50 U. S. C. 451ff) ,
23 and such appropriations or funds may, with the approval of
24 the Bureau of the Budget, be so transferred.

1 During the current fiscal year, no part of any money
2 appropriated in this or any other Act shall be used during
3 any quarter of such fiscal year to purchase within the con-
4 tinental limits of the United States typewriting machines
5 (except bookkeeping and billing machines) at a price
6 which exceeds 90 per centum of the lowest net cash price,
7 plus applicable Federal excise taxes, accorded the most-
8 favored customer (other than the Federal government, State
9 governments, the American National Red Cross, and the pur-
10 chasers of typewriting machines for educational purposes
11 only) of the manufacturer of such machines during the
12 six-month period immediately preceding such quarter:
13 *Provided*, That the purchase, utilization, and disposal
14 of typewriting machines shall be performed in accord-
15 ance with the provisions of the Federal Property and Ad-
16 ministrative Services Act of 1949, as amended.

17 REDUCTIONS IN APPROPRIATIONS

18 Amounts available to the General Services Administra-
19 tion from appropriations and other funds are hereby reduced
20 in the sums hereinafter set forth, such sums to be carried to
21 the surplus fund and covered into the Treasury immediately
22 upon the approval of this Act:

23 Construction of public buildings, \$160,000.

24 Geophysical Institute, Alaska, \$49,000.

1 Acquisition of additional land in the District of
2 Columbia, \$1,075,000.

3 HOUSING AND HOME FINANCE AGENCY

4 OFFICE OF THE ADMINISTRATOR

5 Salaries and expenses: For necessary expenses of the
6 Office of the Administrator, including rent in the District of
7 Columbia; services as authorized by section 15 of the Act
8 of August 2, 1946 (5 U. S. C. 55a); not to exceed
9 \$175,800 for expenses of travel; expenses of attend-
10 ance at meetings of organizations concerned with the
11 work of the agency; and transportation expenses and
12 not to exceed \$25 per diem in lieu of subsistence, as
13 authorized by section 5 of the Act of August 2, 1946 (5
14 U. S. C. 73b-2), for persons serving without compensation
15 as members of any advisory committee established pursuant
16 to title VI of the Housing Act of 1949; \$2,587,100: *Pro-*
17 *vided*, That necessary expenses of inspections and of provid-
18 ing representatives at the site of projects being undertaken
19 by local public agencies pursuant to title I of the Housing
20 Act of 1949 and of projects financed through loans to educa-
21 tional institutions authorized by title IV of the Housing Act
22 of 1950, shall be compensated by such agencies or institu-
23 tions by the payment of fixed fees which in the aggregate
24 will cover the costs of rendering such services, and expenses

1 for such purpose shall be considered nonadministrative; and
2 for the purpose of providing such inspections, the Adminis-
3 trator may utilize any agency and such agency may accept
4 reimbursement or payment for such services from such insti-
5 tutions or the Administrator, and shall credit such amounts
6 to the appropriations or funds against which such charges
7 have been made, but such nonadministrative expenses shall
8 not exceed \$500,000: *Provided further*, That not to exceed
9 \$40,000 of this appropriation shall be available for a reor-
10 ganization survey of the Housing and Home Finance Agency
11 in cooperation with the President's Advisory Committee on
12 Government Organization: *Provided further*, That the Ad-
13 ministrator is authorized without regard to any other pro-
14 visions of law to transfer without reimbursement any project
15 or facility, or part thereof, constructed or provided under title
16 II of the Act of October 14, 1940, as amended (including
17 any personal property related to such project or facility),
18 to any other department or agency, whenever the head of
19 such department or agency so requests after determining
20 that such project or facility is required for the continued
21 operation of or is an integral part of a project or facility
22 under the jurisdiction of such department or agency: *Pro-*
23 *vided further*, That the Administrator's general supervision
24 and coordination responsibilities under Reorganization Plan
25 Numbered 3 of 1947 shall carry full authority to assign and

1 reassign functions, to reorganize and to make whatever
2 changes, including the reallocation and transfer of adminis-
3 trative expense funds and authority where applicable, neces-
4 sary to promote economy and efficiency in the operations of
5 the Housing and Home Finance Agency: *Provided further,*
6 That the Administrator shall not expend more than \$21,-
7 000,000 during the fiscal year 1954 on loans to educational
8 institutions not committed as of December 31, 1952.

9 Defense Community Facilities and Services: During the
10 current fiscal year not to exceed \$112,500 of the appro-
11 priations granted under this head in the Second and Third
12 Supplemental Appropriation Acts, 1952, shall be available
13 for administrative expenses in connection with the construc-
14 tion of facilities under such appropriations.

15 Capital grants for slum clearance and urban redevelop-
16 ment: For an additional amount for payment of capital grants
17 as authorized by title I of the Housing Act of 1949, as
18 amended (42 U. S. C. 1453, 1456), \$20,000,000, to remain
19 available until expended: *Provided,* That before approv-
20 ing any local slum clearance program under title I
21 of the Housing Act of 1949, the Administrator shall
22 give consideration to the efforts of the locality to en-
23 force local codes and regulations relating to adequate
24 standards of health, sanitation, and safety for dwell-

1 ings and to the feasibility of achieving slum clearance
2 objectives through rehabilitation of existing dwellings and
3 areas: *Provided further*, That the authority under title I of
4 the National Housing Act shall be used to the utmost in
5 connection with slum rehabilitation needs: *Provided further*,
6 That section 110, subsection (e) of the Housing Act of
7 1949 is hereby amended to read: "Gross project cost" shall
8 comprise (1) the amount of the expenditures by the local
9 public agency with respect to any and all undertakings nec-
10 essary to carry out the project (including the payment of
11 carrying charges, but not beyond the point where the proj-
12 ect is completed, and excluding expenditures for parks, play-
13 grounds, public buildings, or similar facilities), and (2) the
14 amount of such local grants-in-aid as are described in clause
15 (2) of section 110 (d) hereof.

16 PUBLIC HOUSING ADMINISTRATION

17 Administrative expenses: For administrative expenses
18 of the Public Housing Administration, \$4,948,000, to be
19 merged with and expended under the authorization for such
20 expenses contained in title II of this Act.

21 Annual contributions: For the payment of annual
22 contributions to public housing agencies in accordance with
23 section 10 of the United States Housing Act of 1937, as
24 amended (42 U. S. C. 1410), \$32,500,000: *Provided*,
25 That except for payments required on contracts entered

1 into prior to April 18, 1940, no part of this appropriation
2 shall be available for payment to any public housing agency
3 for expenditure in connection with any low-rent housing
4 project, unless the public housing agency shall have adopted
5 regulations prohibiting as a tenant of any such project by
6 rental or occupancy any person other than a citizen of the
7 United States, but such prohibition shall not be applicable in
8 the case of a family of any serviceman or the family of any
9 veteran who has been discharged (other than dishonorably)
10 from, or the family of any serviceman who died in, the
11 Armed Forces of the United States within four years prior
12 to the date of application for admission to such housing:
13 *Provided further*, That all expenditures of this appropriation
14 shall be subject to audit and final settlement by the Comptroller General of the United States under the provisions of
15 the Budget and Accounting Act of 1921, as amended:
16 *Provided further*, That no housing shall be authorized by
17 the Public Housing Administration, or, if under construction, continue to be constructed, in any community where
18 the people of that community, by their duly elected representatives, or by referendum, or by any other legal method,
19 have indicated they do not want it: *Provided further*, That
20 the record of expenditure of the Public Housing Administration and of the local housing authority on any public
21 housing project shall be open to examination by the re-

1 sponsible authorities of any community in which such project
 2 is located, or by the local public housing authority, or by any
 3 firm of public accountants retained by either of the foregoing:
 4 *Provided further*, That no housing unit constructed under
 5 the United States Housing Act of 1937, as amended, shall
 6 be occupied by a person who is a member of an organization
 7 designated as subversive by the Attorney General: *Pro-*
 8 *vided further*, That the foregoing prohibition shall be en-
 9 forced by the local housing authority, and that such prohibi-
 10 tion shall not impair or affect the powers or obligations of
 11 the Public Housing Administration with respect to the
 12 making of loans and annual contributions under the United
 13 States Housing Act of 1937, as amended: *Provided*
 14 *further*, That the limitation in clause (2) of the third proviso
 15 under this head in title I of the Independent Offices Appro-
 16 priation Act, 1953, is amended to read as follows: "(2)
 17 after the date of approval of this Act, enter into any agree-
 18 ment, contract, or other arrangement which will bind the
 19 Public Housing Administration with respect to loans, annual
 20 contributions, or authorizations for commencement of con-
 21 struction, for any dwelling units or projects".

22 REDUCTIONS IN APPROPRIATIONS

23 Defense housing: The sum of \$17,500,000 of funds
 24 heretofore appropriated under this head is hereby rescinded,

1 and such amount shall be covered into the Treasury promptly
2 upon enactment of this Act: *Provided*, That the amount
3 hereby rescinded may be reduced by an amount determined
4 by the Administrator to be required as a reserve for overruns
5 and contingencies in connection with projects heretofore
6 assigned for construction pursuant to Public Law 139
7 (Eighty-second Congress).

8 Alaska housing: Of amounts heretofore appropriated
9 under this head for the revolving fund authorized by the
10 Alaska Housing Act, Public Law 52 (Eighty-first Con-
11 gress), the Administrator shall cause to be covered into the
12 Treasury a total of \$5,000,000 in one or more deposits as
13 soon as practicable, but not later than June 30, 1954.

14 Advance planning of non-Federal public works: The sum
15 of \$4,600,000 of funds heretofore appropriated under this
16 head is hereby rescinded, and such amount shall be covered
17 into the Treasury promptly upon enactment of this Act.

18 INDIAN CLAIMS COMMISSION

19 Salaries and expenses: For expenses necessary to carry
20 out the purposes of the Act of August 13, 1946, (25 U. S. C.
21 70), creating an Indian Claims Commission, \$111,020, of
22 which not to exceed \$2,845 shall be available for expenses
23 of travel.

1 INTERSTATE COMMERCE COMMISSION

2 General expenses: For expenses necessary in performing
3 the functions vested by law in the Commission (49 U. S. C.
4 1-24, 301-327, 901-923, 1001-1022), except those other-
5 wise specifically provided for in this Act, and for general
6 administration, including not to exceed \$5,000 for the em-
7 ployment of special counsel; contract stenographic reporting
8 services; newspapers (not to exceed \$200); and not to
9 exceed \$212,645 for expenses of travel; \$9,466,176, of
10 which \$100,000 shall be available for valuations of pipe
11 lines: *Provided*, That Joint Board members and cooperat-
12 ing State commissioners may use Government transportation
13 requests when traveling in connection with their duties as
14 such.

15 Railroad safety: For expenses necessary in performing
16 functions authorized by law (45 U. S. C. 1-15, 17-21,
17 35-46, 61-64; 49 U. S. C. 26) to insure a maximum of
18 safety in the operation of railroads, including authority to
19 investigate, test experimentally, and report on the use and
20 need of any appliances or systems intended to promote the
21 safety of railway operation, including those pertaining to
22 block-signal and train-control systems, as authorized by the
23 joint resolution approved June 30, 1906, and the Sundry
24 Civil Act of May 27, 1908 (45 U. S. C. 35-37), and to

1 require carriers by railroad subject to the Act to install auto-
2 matic train-stop or train-control devices as prescribed by the
3 Commission (49 U. S. C. 26), including the employment
4 of inspectors and engineers, and including not to exceed
5 \$163,050 for expenses of travel, \$974,500.

6 Locomotive inspection: For expenses necessary in the
7 enforcement of the Act of February 17, 1911, entitled "An
8 Act to promote the safety of employees and travelers upon
9 railroads by compelling common carriers engaged in inter-
10 state commerce to equip their locomotives with safe and
11 suitable boilers and appurtenances thereto", as amended
12 (45 U. S. C. 22-34), including not to exceed \$112,620
13 for expenses of travel, \$709,500.

14 INTERSTATE COMMISSION ON THE POTOMAC
15 RIVER BASIN

16 Contribution to Interstate Commission on the Potomac
17 River Basin: To enable the Secretary of the Treasury to
18 pay in advance to the Interstate Commission on the Potomac
19 River Basin the Federal contribution toward the expenses
20 of the Commission during the current fiscal year in the
21 administration of its business in the conservancy district
22 established pursuant to the Act of July 11, 1940 (54 Stat.
23 748), \$5,000.

1 NATIONAL ADVISORY COMMITTEE FOR
2 AERONAUTICS

3 Salaries and expenses: For necessary expenses of the
4 Committee, including one Director at not to exceed \$17,500
5 per annum so long as the position is held by the present
6 incumbent; contracts for the making of special investigations
7 and reports and for engineering, drafting and computing
8 services; equipment; not to exceed \$216,700 for expenses of
9 travel; maintenance and operation of aircraft; not to
10 exceed \$100 for newspapers and periodicals; and services as
11 authorized by section 15 of the Act of August 2, 1946
12 (5U. S. C. 55a) ; \$52,988,050.

Construction and equipment: For construction and equipment at laboratories and research stations of the Committee, including the acquisition of not to exceed ten acres of land adjacent to the Lewis Flight Propulsion Laboratory, Cleveland, Ohio, \$7,239,000, to remain available until expended.

Construction and equipment (liquidation of contract au-
thorization) : For liquidation of obligations incurred pursu-
ant to authority heretofore granted under this head to enter
into contracts for construction and equipment, \$4,200,000.

23 NATIONAL CAPITAL HOUSING AUTHORITY

24 Maintenance and operation of properties: For the main-
25 tenance and operation of properties under title I of the Dis-

1 trict of Columbia Alley Dwelling Authority Act, \$43,000:
2 *Provided*, That all receipts derived from sales, leases, or
3 other sources shall be covered into the Treasury of the United
4 States monthly: *Provided further*, That so long as funds are
5 available from appropriations for the foregoing purposes, the
6 provisions of section 507 of the Housing Act of 1950 (Public
7 Law 475, Eighty-first Congress) shall not be effective.

8 NATIONAL CAPITAL PLANNING COMMISSION

9 Salaries and expenses: For necessary expenses, as
10 authorized by the National Capital Planning Act of 1952
11 (66 Stat. 781), including services as authorized by section
12 15 of the Act of August 2, 1946 (5 U. S. C. 55a) ; not to
13 exceed \$100 for the purchase of newspapers and periodicals;
14 not to exceed \$4,260 for expenses of travel; payment in
15 advance for membership in societies whose publications or
16 services are available to members only or to members at
17 a price lower than to the general public; and transportation
18 and not to exceed \$15 per diem in lieu of subsistence, as
19 authorized by section 5 of the Act of August 2, 1946
20 (5 U. S. C. 73b-2) , for members of the Commission serving
21 without compensation; \$97,915.

22 Land acquisition, National Capital park, parkway, and
23 playground system: Of unexpended funds available for land
24 acquisition purposes a total of not exceeding \$19,680 may
25 be used during the current fiscal year for necessary expenses

1 of the Commission (other than payments for land) in con-
2 nection with land acquisition.

3 NATIONAL SCIENCE FOUNDATION

4 Salaries and expenses: For expenses necessary to carry
5 out the purposes of the National Science Foundation Act of
6 1950 (42 U. S. C. 1861-1875), including award of gradu-
7 ate fellowships; services as authorized by section 15 of the
8 Act of August 2, 1946 (5 U. S. C. 55a), at rates not to
9 exceed \$50 per diem for individuals; hire of passenger motor
10 vehicles; not to exceed \$78,000 for expenses of travel;
11 not to exceed \$150 for the purchase of newspapers and
12 periodicals; and reimbursement of the General Services Ad-
13 ministration for security guard services; \$5,724,400, to
14 remain available until expended.

15 RENEGOTIATION BOARD

16 SALARIES AND EXPENSES

17 For necessary expenses of the Renegotiation Board, in-
18 cluding expenses of attendance at meetings concerned with
19 the purposes of this appropriation; hire of passenger motor
20 vehicles; not to exceed \$238,700 for expenses of travel; and
21 services as authorized by section 15 of the Act of August 2,
22 1946 (5 U. S. C. 55a), at rates not to exceed \$50 per
23 diem for individuals; \$5,192,800.

1 SECURITIES AND EXCHANGE COMMISSION

2 Salaries and expenses: For necessary expenses, includ-
3 ing not to exceed \$500 for the purchase of newspapers;
4 not to exceed \$104,170 for expenses of travel; and services
5 as authorized by section 15 of the Act of August 2, 1946
6 (5 U. S. C. 55a) ; \$5,245,080.

7 SMITHSONIAN INSTITUTION

8 Salaries and expenses, Smithsonian Institution: For all
9 necessary expenses for the preservation, exhibition, and in-
10 crease of collections from the surveying and exploring expe-
11 ditions of the Government and from other sources; for the
12 system of international exchanges between the United States
13 and foreign countries; for anthropological researches among
14 the American Indians and the natives of lands under the
15 jurisdiction or protection of the United States, independently
16 or in cooperation with State, educational, and scientific
17 organizations in the United States, and the excavation and
18 preservation of archeological remains; for maintenance of the
19 Astrophysical Observatory and making necessary observa-
20 tions in high altitudes; for the administration of the National
21 Collection of Fine Arts; for the administration, construc-
22 tion and maintenance, of laboratory and other facilities on
23 Barro Colorado Island, Canal Zone, under the provisions

1 of the Act of July 2, 1940, as amended by the provisions
2 of Reorganization Plan Numbered 3 of 1946; for the main-
3 tenance and administration of a national air museum as
4 authorized by the Act of August 12, 1946 (20 U. S. C. 77) ;
5 including not to exceed \$35,000 for services as authorized
6 by section 15 of the Act of August 2, 1946 (5 U. S. C. 55a) ;
7 not to exceed \$6,825 for expenses of travel ; purchase, repair,
8 and cleaning of uniforms for guards and elevator conductors ;
9 repairs and alterations of buildings and approaches ; and
10 preparation of manuscripts, drawings, and illustrations for
11 publications ; \$2,897,500.

12 Salaries and expenses, National Gallery of Art: For the
13 upkeep and operation of the National Gallery of Art, the
14 protection and care of the works of art therein, and admin-
15 istrative expenses incident thereto, as authorized by the Act
16 of March 24, 1937 (50 Stat. 51) , as amended by the public
17 resolution of April 13, 1939 (Public Resolution 9, Seventy-
18 sixth Congress) , including services as authorized by section
19 15 of the Act of August 2, 1946 (5 U. S. C. 55a) ; pay-
20 ment in advance when authorized by the treasurer of the
21 Gallery for membership in library, museum, and art associa-
22 tions or societies whose publications or services are available
23 to members only, or to members at a price lower than to the
24 general public ; purchase, repair, and cleaning of uniforms
25 for guards and elevator operators ; purchase or rental of de-

1 vices and services for protecting buildings and contents there-
2 of, and maintenance and repair of buildings, approaches, and
3 grounds; not to exceed \$1,600 for expenses of travel;
4 and not to exceed \$15,000 for restoration and repair of
5 works of art for the National Gallery of Art by contracts
6 made, without advertising, with individuals, firms, or organ-
7 izations at such rates or prices and under such terms and con-
8 ditions as the Gallery may deem proper; \$1,275,000.

9 SUBVERSIVE ACTIVITIES CONTROL BOARD

10 Salaries and expenses: For necessary expenses of the
11 Subversive Activities Control Board, including services as
12 authorized by section 15 of the Act of August 2, 1946
13 (5 U. S. C. 55a), not to exceed \$10,000 for expenses of
14 travel, and not to exceed \$100 for the purchase of
15 newspapers and periodicals, \$200,000, without regard to
16 the provisions of subsection (c) of section 3679 of the Re-
17 vised Statutes, as amended.

18 TARIFF COMMISSION

19 Salaries and expenses: For necessary expenses of the
20 Tariff Commission, including subscriptions to newspapers
21 (not to exceed \$200), not to exceed \$11,335 for expenses
22 of travel, and contract stenographic reporting services as
23 authorized by section 15 of the Act of August 2, 1946
24 (5 U. S. C. 55a), \$1,291,375: *Provided*, That no part
25 of this appropriation shall be used to pay the salary of any

1 member of the Tariff Commission who shall hereafter par-
2 ticipate in any proceedings under sections 336, 337, and 338
3 of the Tariff Act of 1930, wherein he or any member of his
4 family has any special, direct, and pecuniary interest, or in
5 which he has acted as attorney or special representative.

6 THE TAX COURT OF THE UNITED STATES

7 Salaries and expenses: For necessary expenses, includ-
8 ing contract stenographic reporting services and not to ex-
9 ceed \$40,000 for travel expenses, \$970,000: *Provided*, That
10 travel expenses of the judges shall be paid upon the written
11 certificate of the judge.

12 WAR CLAIMS COMMISSION

13 PAYMENT OF CLAIMS

14 For payment of claims, as authorized by the War Claims
15 Act of 1948, as amended, from funds deposited in the Treas-
16 ury to the credit of the war claims fund created by section
17 13 (a) of said Act, such sums as may be necessary, to be
18 available to the Secretary of the Treasury for payment of
19 claims under sections 4 (a), 4 (b) (2), 5 (a) through (e),
20 6, and 7 of said Act to the payees named and in the amounts
21 stated in certifications by the War Claims Commission and
22 the Secretary of Labor or their duly authorized representa-
23 tives, which certifications shall be in lieu of any vouchers
24 which might otherwise be required: *Provided*, That this ap-
25 propriation shall not be available for administrative expenses:

1 *Provided further*, That no claims shall be allowed or paid
2 under the provisions of said War Claims Act of 1948 from
3 any funds other than those covered into the Treasury pur-
4 suant to the provisions of section 39 of the Trading With the
5 Enemy Act of October 6, 1917, as amended, as provided by
6 section 13 (a) of said War Claims Act of 1948.

7 ADMINISTRATIVE EXPENSES

8 For expenses necessary for the War Claims Commission,
9 including services as authorized by section 15 of the Act
10 of August 2, 1946 (5 U. S. C. 55a) ; expenses of attend-
11 ance at meetings concerned with the purposes of this appro-
12 priation; not to exceed \$5,000 for expenses of travel;
13 and advances or reimbursements to other Government agen-
14 cies for use of their facilities and services in carrying out
15 the functions of the Commission; \$750,000, to be derived
16 from the war claims fund created by section 13 (a) of the
17 War Claims Act of 1948 (Public Law 896, approved July
18 3, 1948) .

19 INDEPENDENT OFFICES—GENERAL PROVISIONS

20 SEC. 102. Where appropriations in this title are ex-
21 pendable for travel expenses of employees and no specific
22 limitation has been placed thereon, the expenditures for
23 such travel expenses may not exceed the amount set forth
24 therefor in the budget estimates submitted for the appro-
25 priations.

1 SEC. 103. Where appropriations in this title are expend-
2 able for the purchase of newspapers and periodicals and no
3 specific limitation has been placed thereon, the expenditures
4 therefor under each such appropriation may not exceed the
5 amount of \$50: *Provided*, That this limitation shall not apply
6 to the purchase of scientific, technical, trade, or traffic periodi-
7 cals necessary in connection with the performance of the
8 authorized functions of the agencies for which funds are
9 herein provided.

10 SEC. 104. No part of any appropriation contained in this
11 title shall be available to pay the salary of any person filling
12 a position, other than a temporary position, formerly held
13 by an employee who has left to enter the Armed Forces of
14 the United States and has satisfactorily completed his period
15 of active military or naval service and has within ninety days
16 after his release from such service or from hospitalization
17 continuing after discharge for a period of not more than one
18 year made application for restoration to his former position
19 and has been certified by the Civil Service Commission as
20 still qualified to perform the duties of his former position and
21 has not been restored thereto.

22 SEC. 105. Appropriations contained in this title, avail-
23 able for expenses of travel shall be available, when spe-
24 cifically authorized by the head of the activity or establish-
25 ment concerned, for expenses of attendance at meetings of

1 organizations concerned with the function or activity for
2 which the appropriation concerned is made: *Provided*, That
3 appropriations contained in this title shall be available for the
4 examination of estimates of appropriations and activities in
5 the field without regard to limitations on travel contained in
6 such appropriations.

7 SEC. 106. No part of any appropriations made available
8 by the provisions of this title shall be used for the purchase
9 or sale of real estate or for the purpose of establishing new
10 offices outside the District of Columbia: *Provided*, That this
11 limitation shall not apply to programs which have been
12 approved by the Congress and appropriations made therefor.

13 SEC. 107. No part of any appropriation contained in this
14 title shall be used to pay the compensation of any employee
15 engaged in personnel work in excess of the number that
16 would be provided by a ratio of one such employee to one
17 hundred and thirty-five, or a part thereof, full-time, part-time,
18 and intermittent employees of the agency concerned: *Pro-*
19 *vided*, That for purposes of this section employees shall be
20 considered as engaged in personnel work if they spend half
21 time or more in personnel administration consisting of direc-
22 tion and administration of the personnel program; employ-
23 ment, placement, and separation; job evaluation and clas-
24 sification; employee relations and services; training; wage
25 administration; and processing, recording, and reporting.

1 SEC. 108. None of the sections under the head "In-
2 dependent offices, General provisions" in this title shall apply
3 to the Housing and Home Finance Agency.

4 TITLE II—CORPORATIONS

5 The following corporations and agencies, respectively,
6 are hereby authorized to make such expenditures, within the
7 limits of funds and borrowing authority available to each such
8 corporation or agency and in accord with law, and to make
9 such contracts and commitments without regard to fiscal year
10 limitations as provided by section 104 of the Government
11 Corporation Control Act, as amended, as may be necessary
12 in carrying out the programs set forth in the Budget for the
13 fiscal year 1954 for each such corporation or agency, except
14 as hereinafter provided:

15 HOUSING AND HOME FINANCE AGENCY

16 Federal National Mortgage Association: Not to exceed
17 \$2,300,000 shall be available for administrative expenses,
18 which shall be on an accrual basis, and shall be exclusive
19 of interest paid, depreciation, properly capitalized ex-
20 penditures, fees for servicing mortgages, expenses (includ-
21 ing services performed on a force account, contract, or fee
22 basis, but not including other personal services) in connec-
23 tion with the acquisition, protection, operation, maintenance,
24 improvement, or disposition of real or personal property be-
25 longing to said Association or in which it has an interest, cost

1 of salaries, wages, travel, and other expenses of persons
2 employed outside of the continental United States, expenses
3 of services performed on a contract or fee basis in connection
4 with the performance of legal services, and all administrative
5 expenses reimbursable from other Government agencies; and
6 said Association may utilize and may make payment for
7 services and facilities of the Federal Reserve banks and other
8 agencies of the Government: *Provided*, That the distribution
9 of administrative expenses to the accounts of the Association
10 shall be made in accordance with generally recognized
11 accounting principles and practices: *Provided further*, That
12 not to exceed \$95,750 shall be available for expenses of
13 travel: *Provided further*, That administrative expenses not
14 under limitation for the purposes set forth in the budget
15 schedules for the fiscal year 1953 shall not exceed \$151,000:
16 *Provided further*, That no part of this authorization shall be
17 used to effect purchases of new mortgages not committed as
18 of June 30, 1953, or commit the Association to purchases of
19 mortgages after June 30, 1953: *Provided further*, That
20 during the fiscal year 1954 the Administrator shall make
21 every effort to dispose of at least \$1,000,000,000 of the
22 mortgages held by the Association, subject, if necessary, to
23 discounts he may consider reasonable and advisable in the
24 circumstances, and to use the proceeds to reduce the borrow-
25 ings from the Treasury.

1 Office of the Administrator (housing loan programs) :
2 Not to exceed \$411,250 shall be available for all administra-
3 tive expenses, which shall be on an accrual basis, of carrying
4 out the functions of the Office of the Administrator under the
5 program of housing loans to educational institutions (title
6 IV of the Housing Act of 1950, 12 U. S. C. 1749-1749d) ,
7 the prefabricated housing program (sections 102, 102a,
8 102b, and 102c of the Housing Act of 1948, as amended,
9 12 U. S. C. 1701g-1701g-3) , and the Alaska housing pro-
10 gram (sections 3, 4, and 5 of the Alaska Housing Act, as
11 amended, 48 U. S. C. 484, 484a, and 484b) , but this
12 amount shall be exclusive of costs of services performed on
13 a contract or fee basis in connection with termination of
14 contracts and legal services on a contract or fee basis and
15 of payment for services and facilities of the Federal Reserve
16 banks or any member thereof, the Federal home-loan banks,
17 and any insured bank within the meaning of the Act creating
18 the Federal Deposit Insurance Corporation (Act of August
19 23, 1935, as amended, 12 U. S. C. 264) which has been
20 designated by the Secretary of the Treasury as a depository
21 of public money of the United States: *Provided*, That not
22 to exceed \$26,330 shall be available for expenses of travel.

23 Home Loan Bank Board: Not to exceed a total of
24 \$775,000 shall be available for administrative expenses of
25 the Home Loan Bank Board, and shall be derived from

1 funds available to the Home Loan Bank Board, includ-
2 ing those in the Home Loan Bank Board revolving fund
3 and receipts of the Federal Home Loan Bank Administra-
4 tion, the Federal Home Loan Bank Board, or the
5 Home Loan Bank Board for the current fiscal year
6 and prior fiscal years, and the Board may utilize and
7 may make payment for services and facilities of the Federal
8 home-loan banks, the Federal Reserve banks, the Federal
9 Savings and Loan Insurance Corporation, and other agencies
10 of the Government: *Provided*, That all necessary expenses
11 in connection with the conservatorship of institutions insured
12 by the Federal Savings and Loan Insurance Corporation and
13 all necessary expenses (including services performed on a
14 contract or fee basis, but not including other personal serv-
15 ices) in connection with the handling, including the pur-
16 chase, sale, and exchange, of securities on behalf of Federal
17 home-loan banks, and the sale, issuance, and retirement of,
18 or payment of interest on, debentures or bonds, under the
19 Federal Home Loan Bank Act, as amended, shall be con-
20 sidered as nonadministrative expenses for the purposes
21 hereof: *Provided further*, That not to exceed \$20,000
22 shall be available for expenses of travel: *Provided further*,
23 That notwithstanding any other provisions of this Act,
24 except for the limitation in amount hereinbefore speci-
25 fied, the administrative expenses and other obligations of the

1 Board shall be incurred, allowed, and paid in accordance
2 with the provisions of the Federal Home Loan Bank Act
3 of July 22, 1932, as amended (12 U. S. C. 1421-1449):
4 *Provided further*, That the nonadministrative expenses for
5 the examination of Federal and State chartered institutions
6 shall not exceed \$2,085,000.

7 Federal Savings and Loan Insurance Corporation: Not
8 to exceed \$455,000 shall be available for adminis-
9 trative expenses, which shall be on an accrual basis and
10 shall be exclusive of interest paid, depreciation, properly
11 capitalized expenditures, expenses in connection with liqui-
12 dation of insured institutions, liquidation or handling of assets
13 of or derived from insured institutions, payment of insurance,
14 and action for or toward the avoidance, termination, or
15 minimizing of losses in the case of insured institutions,
16 legal fees and expenses, and payments for administrative
17 expenses of the Home Loan Bank Board determined by said
18 Board to be properly allocable to said Corporation, and said
19 Corporation may utilize and may make payment for services
20 and facilities of the Federal home-loan banks, the Federal
21 Reserve banks, the Home Loan Bank Board, and other
22 agencies of the Government: *Provided*, That not to exceed
23 \$4,370 shall be available for expenses of travel: *Provided*
24 *further*, That notwithstanding any other provisions of this
25 Act, except for the limitation in amount hereinbefore speci-

1 fied, the administrative expenses and other obligations of
2 said Corporation shall be incurred, allowed and paid in
3 accordance with title IV of the Act of June 27, 1934, as
4 amended (12 U. S. C. 1724-1730).

5 Expenses, liquidation of Home Owners' Loan Corpo-
6 ration: Not to exceed \$10,000 of the unobligated balance
7 remaining of funds made available under this head in the
8 Independent Offices Appropriation Act, 1952, is hereby
9 continued available until October 31, 1953.

10 Federal Housing Administration: In addition to the
11 amounts available by or pursuant to law (which shall be
12 transferred to this authorization) for the administrative ex-
13 penses of the Federal Housing Administration in carrying
14 out duties imposed by or pursuant to law, not to exceed
15 \$5,045,590 of the various funds of the Federal Housing
16 Administration shall be available for expenditure, in
17 accordance with the National Housing Act, as amended
18 (12 U. S. C. 1701): *Provided*, That, except as herein
19 otherwise provided, all expenses and obligations of
20 said Administration shall be incurred, allowed, and paid in
21 accordance with the provisions of said Act: *Provided fur-*
22 *ther*, That not to exceed \$131,000 shall be available for
23 expenses of travel: *Provided further*, That funds avail-
24 able for expenditure shall be available for contract actuarial
25 services (not to exceed \$1,500) ; and purchase of periodicals

1 and newspapers (not to exceed \$500) ; *Provided further*,
2 That expenditures for nonadministrative expenses classified
3 by section 2 of Public Law 387, approved October 25, 1949,
4 shall not exceed \$27,500,000: *Provided further*, That the
5 position of Assistant Commissioner, established pursuant to
6 section 213 (f) of the National Housing Act, as amended,
7 is no longer authorized.

8 Public Housing Administration: Of the amounts availa-
9 ble by or pursuant to law for the administrative expenses of
10 the Public Housing Administration in carrying out duties
11 imposed by or pursuant to law including funds appropriated
12 by title I of this Act and funds appropriated under the head
13 "Defense Housing" not to exceed \$8,973,000 shall be
14 available for such expenses, including not to exceed
15 \$685,300 for expenses of travel; and expenses of attend-
16 ance at meetings of organizations concerned with the work
17 of the Administration: *Provided*, That necessary expenses of
18 providing representatives of the Administration at the sites
19 of non-Federal projects in connection with the construction
20 of such non-Federal projects by public housing agencies with
21 the aid of the Administration, shall be compensated by such
22 agencies by the payment of fixed fees which in the aggregate
23 in relation to the development costs of such projects will
24 cover the costs of rendering such services, and expenditures
25 by the Administration for such purpose shall be considered

1 nonadministrative expenses, and funds received from such
2 payments may be used only for the payment of necessary
3 expenses of providing representatives of the Administration
4 at the sites of non-Federal projects: *Provided further,*
5 That all expenses of the Public Housing Administration
6 not specifically limited in this Act, in carrying out its
7 duties imposed by or pursuant to law, shall not exceed
8 \$35,962,600: *Provided further,* That not to exceed \$15,000
9 of funds made available by the Act of June 29, 1936 (49
10 Stat. 2035) shall be available for necessary expenses, includ-
11 ing administrative expenses, of the Public Housing Admin-
12 istration in carrying out the provisions of the Act of May
13 19, 1949 (Public Law 65): *Provided further,* That during
14 the fiscal year 1954 the Commissioner shall make every
15 effort to refund all local bonds held by the Public Housing
16 Administration under the United States Housing Act of 1937,
17 as amended.

18 CORPORATIONS—GENERAL PROVISIONS

19 SEC. 202. No part of the funds of, or available for expen-
20 diture by, any corporation or agency included in this title
21 shall be used to pay the compensation of any employee
22 engaged in personnel work in excess of the number that
23 would be provided by a ratio of one such employee to one
24 hundred and thirty-five, or a part thereof, full-time, part-
25 time, and intermittent employees of the agency concerned:

1 *Provided*, That for purposes of this section employees shall
2 be considered as engaged in personnel work if they spend
3 half-time or more in personnel administration consisting of
4 direction and administration of the personnel program;
5 employment, placement, and separation; job evaluation and
6 classification; employee relations and services; training; com-
7 mittees of expert examiners and boards of civil-service
8 examiners; wage administration; and processing, recording,
9 and reporting.

10 TITLE III—GENERAL PROVISIONS

11 SEC. 301. No part of any appropriation contained in
12 this Act, or of the funds available for expenditure by any
13 corporation included in this Act, shall be used to pay the
14 salary or wages of any person who engages in a strike
15 against the Government of the United States or who is a
16 member of an organization of Government employees that
17 asserts the right to strike against the Government of the
18 United States, or who advocates, or is a member of an
19 organization that advocates, the overthrow of the Govern-
20 ment of the United States by force or violence: *Provided*,
21 That for the purposes hereof an affidavit shall be considered
22 prima facie evidence that the person making the affidavit
23 has not contrary to the provisions of this section engaged in
24 a strike against the Government of the United States, is
25 not a member of an organization of Government employees

1 that asserts the right to strike against the Government of the
2 United States, or that such person does not advocate, and is
3 not a member of an organization that advocates, the over-
4 throw of the Government of the United States by force or
5 violence: *Provided further*, That any person who engages
6 in a strike against the Government of the United States
7 or who is a member of an organization of Government
8 employees that asserts the right to strike against the Govern-
9 ment of the United States, or who advocates, or who is a
10 member of an organization that advocates, the overthrow
11 of the Government of the United States by force or violence
12 and accepts employment the salary or wages for which are
13 paid from any appropriation or fund contained in this Act
14 shall be guilty of a felony and, upon conviction, shall be
15 fined not more than \$1,000 or imprisoned for not more than
16 one year, or both: *Provided further*, That the above penalty
17 clause shall be in addition to, and not in substitution for, any
18 other provisions of existing law.

19 SEC. 302. No part of any appropriation contained in
20 this Act, or of the funds available for expenditure by any
21 corporation or agency included in this Act, shall be used for
22 publicity or propaganda purposes designed to support or
23 defeat legislation pending before the Congress.

24 SEC. 303. (a) No part of the money appropriated by
25 this Act to any department, agency, or corporation or made

1 available for expenditure by any department, agency, or
2 corporation which is in excess of 75 per centum of the
3 amount required to pay the compensation of all persons
4 the budget estimates for personal services heretofore sub-
5 mitted to the Congress for the fiscal year 1954 contemplated
6 would be employed by such department, agency, or
7 corporation during such fiscal year in the performance of—

8 (1) functions performed by a person designated as
9 an information specialist, information and editorial
10 specialist, publications and information coordinator, press
11 relations officer or counsel, photographer, radio expert,
12 television expert, motion picture expert, or publicity ex-
13 pert, or designated by any similar title, or

14 (2) functions performed by persons who assist
15 persons performing the functions described in (1) in
16 drafting, preparing, editing, typing, duplicating, or dis-
17 seminating public information publications or releases,
18 radio or television scripts, magazine articles, photographs,
19 motion pictures, and similar material,

20 shall be available to pay the compensation of persons per-
21 forming the functions described in (1) or (2).

22 (b) This section shall not apply: To persons employed
23 by the General Services Administration in the performance
24 of functions or related assisting or supporting functions in
25 connection with the publication of the Federal Register, or

1 to persons engaged in functions of the Civil Service Com-
2 mission related to (1) the preparation and issuance of ma-
3 terials relating to the recruitment of personnel for the Federal
4 service, and (2) the compilation of the Official Register of
5 the United States, or to any department, agency, or corpora-
6 tion which does not employ more than two persons at any
7 one time in the performance of functions described in para-
8 graphs (1) or (2) of subsection (a) of this section.

9 SEC. 304. This Act may be cited as the "First Inde-
10 pendent Offices Appropriation Act, 1954".

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A BILL

Making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1954, and for other purposes.

By Mr. PHILLIPS

APRIL 17, 1953

Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

Issued April 21, 1953

For actions of April 20, 1953

83rd-1st, No. 69

OFFICE OF BUDGET AND FINANCE
(For Department Staff Only)

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HIGHLIGHTS: House Rules Committee cleared independent offices appropriation bill. Both Houses received reorganization plan for Justice Department. Rep. Hope introduced Extension Service consolidation bill.

SENATE

1. SUBMERGED LANDS. Continued debate on S. J. Res. 13, to establish State titles to submerged lands (pp. 3467-70, 3479-515, 3520-37).
2. REORGANIZATION. Both Houses received the President's Reorganization Plan No. 4 of 1953, which relates to the Justice Department; to Government Operations Committees (H. Doc. 130)(pp. 3519-20, 3441-2). The Plan makes the Deputy Attorney General (instead of the Solicitor General) next in the line of succession after the Attorney General, authorizes the Attorney General to designate the further line of succession, and provides for an additional Assistant Attorney General in lieu of the Assistant Attorney General for customs matters.
3. DEFENSE PRODUCTION. Received the report of the Joint Committee on Defense Production reviewing the tax-amortization program (S. Rept. 154)(p. 3472). Also received in the House (H. Rept. 293)(p. 3462).
4. FLOOD-CONTROL APPROPRIATIONS. Sen. Knowland inserted the revised budget of the Corps of Army Engineers (pp. 3474-5).
5. LEGISLATIVE PROGRAM. Sen. Knowland, Chairman of the Majority Policy Committee, stated: "Originally it was the hope of the leadership that Congress might be adjourned by July 4. I think a realistic appraisal...now would indicate that an adjournment by that time can hardly be expected, and that if we can take an adjournment by the end of July we shall be doing very well." (p. 3466.)

HOUSE

6. APPROPRIATIONS. The Rules Committee reported a resolution for consideration of H. R. 4663, the first independent offices appropriation bill, 1954 (H. Rept. 276)(p. 3462). The third supplemental appropriation bill (see Digest 67) is H. R. 4664 (H. Rept. 277)(p. 3462).

7. MINERALS. Passed without amendment H. R. 3915, to permit the mining, development, and utilization of the mineral resources of all public lands withdrawn or reserved for power development (p. 3446).
8. FLOOD CONTROL. The Rules Committee reported a resolution providing for consideration of H. R. 4025, authorizing appropriations for Columbia Basin flood-control projects (pp. 3456, 3462).
Rep. Willis spoke in favor of additional appropriations for flood control, waterway improvement, beneficial water uses, etc., for the lower Mississippi River Basin (pp. 3459-61).
Received a Hawaii legislature memorial urging funds for flood control in Hawaii (p. 3464).
9. FOREIGN TRADE. Rep. Ford spoke in favor of extending the Reciprocal Trade Agreements Act for at least 1 more year (p. 3444).
10. GOVERNMENT VEHICLES. Rep. Sikes criticized the use of Government-owned cars for personal business and urged "some effective limitations" (p. 3444).
11. REORGANIZATION. Received a petition from the Western Mont. Mine Owners and Operators Assn. opposing transfer of Interior's Land Management, and Mines Bureau, and the Geological Survey to USDA, "or to any other department whose aims, intents, and purposes might not coincide with those of the mining industry" (pp. 3464-5).

BILLS INTRODUCED

12. PERSONNEL. H. R. 4673, by Rep. Condon, to amend the Civil Service Retirement Act of May 29, 1930, as amended, to remove inequities with respect to the granting of increases in the annuities of certain individuals who have purchased additional annuities by voluntary contributions; to Post Office and Civil Service Committee (p. 3463).
H. R. 4692, by Rep. Withrow, to amend Public Law 106, 79th Congress, with regard to compensation for overtime and holiday employment; to Post Office and Civil Service Committee (p. 3464).
13. RECLAMATION. H. R. 4681, by Rep. Poulson, to provide for closer supervision of the costs of constructing irrigation and reclamation projects, and projects in the Territories and possessions of the U. S.; to Interior and Insular Affairs Committee (p. 3463).
H. Res. 210, by Rep. Burdick, providing that no further funds shall be appropriated for the further construction of the Garrison Dam until an investigation be made by a special committee of the House of Representatives; to Rules Committee (p. 3464).
14. MONOPOLIES. H. R. 4680, by Rep. O'Hara, to amend section 10 of the act of October 15, 1914, commonly known as the Clayton Act; to Judiciary Committee (p. 3463).
15. EXTENSION SERVICE. H. R. 4677, by Rep. Hope, to repeal certain acts relating to cooperative agricultural extension work and to amend the Smith-Lever Act of May 8, 1914, to provide for cooperative agricultural extension work between the agricultural colleges in the several States, Territories, and possessions receiving the benefits of an act of Congress approved July 2, 1862, and of acts supplementary thereto, and the U. S. Department of Agriculture; to Agriculture Committee (p. 3463).

CONSIDERATION OF H. R. 4663

APRIL 20, 1953.—Referred to the House Calendar and ordered to be printed

Mr. ALLEN of Illinois, from the Committee on Rules, submitted the following

R E P O R T

[To accompany H. Res. 207]

The Committee on Rules, having had under consideration House Resolution 207, report the same to the House with the recommendation that the resolution do pass.

26008



H. RES. 207

[Report No. 291]

IN THE HOUSE OF REPRESENTATIVES

APRIL 20, 1953

Mr. ALLEN of Illinois, from the Committee on Rules, reported the following resolution; which was referred to the House Calendar and ordered to be printed

RESOLUTION

1 *Resolved*, That immediately upon the adoption of this
2 resolution it shall be in order to move that the House resolve
3 itself into the Committee of the Whole House on the State
4 of the Union for the consideration of the bill (H. R. 4663)
5 making appropriations for the Executive Office and sundry
6 independent executive bureaus, boards, commissions, corpo-
7 rations, agencies, and offices, for the fiscal year ending
8 June 30, 1954, and for other purposes, and all points of
9 order against said bill or any provisions contained in said
10 bill are hereby waived. That after general debate, which
11 shall be confined to the bill and continue not to exceed four
12 hours, to be equally divided and controlled by the chairman
13 and ranking minority member of the Committee on Appro-

1 priations, the bill shall be read for amendment under the
2 five-minute rule. At the conclusion of the consideration of
3 the bill for amendment, the Committee shall rise and report
4 the bill to the House with such amendments as may have
5 been adopted and the previous question shall be considered
6 as ordered on the bill and amendments thereto to final
7 passage without intervening motion except one motion to
8 recommit.

RESOLUTION

Providing for the consideration of H. R. 4663, a bill making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1954, and for other purposes.

By Mr. ALLEN of Illinois

APRIL 20, 1953

Referred to the House Calendar and ordered to be printed

Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE
For Department Staff Only)

Issued
For actions of

April 22, 1953
April 21, 1953
83rd-1st, No. 70

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	Personnel.....6,15	Treaties.....13

HIGHLIGHTS: Rep. Javits asked wheat relief for Pakistan. Rep. Grant introduced Extension Service consolidation bill.

HOUSE

1. APPROPRIATIONS. Began debate on H. R. 4663, the first independent offices appropriation bill, 1954 (pp. 3541-67).
2. TENNESSEE VALLEY AUTHORITY. Rep. Jones, Ala., defended this agency and criticized a recent Farm Bureau statement on natural-resource development (pp. 3568-70).

SENATE

3. SUBMERGED LANDS. Continued debate on S. J. Res. 13, to establish State title to submerged lands (pp. 3573-8, 3591-634).
4. FOREIGN TRADE. Sen. Maybank criticized the Export-Import Bank's increase in the interest rate on cotton sold to Spain last month and claimed the Bank expected to increase the interest rates on other export commodities (p. 3584).

BILLS INTRODUCED

5. EXTENSION SERVICE. H. R. 4720, by Rep. Grant, to consolidate authorizations for extension service; to Agriculture Committee (p. 3571).
6. PERSONNEL. H. R. 4716, to amend the Civil Service Retirement Act to provide benefits for widows of employees who died before Feb. 28, 1948; to Post Office and Civil Service Committee (p. 3571).
H. R. 4723, by Rep. Hosmer, to simplify and consolidate laws on dual compensation; to Post Office and Civil Service Committee (p. 3571).
H. R. 4729, by Rep. Rees, Kans., to facilitate civil-service appointment of persons who lost opportunity therefor because of service in the armed forces after June 1950; to Post Office and Civil Service Committee (p. 3571).
7. TRADE AGREEMENTS. H. R. 4719, by Rep. Ford, and H. R. 4724, by Rep. Javits, to extend the trade-agreements law; to Ways and Means Committee (p. 3571).

8. RECLAMATION. H. R. 4721, to provide that excess-land provisions of the reclamation laws shall not apply to the Owl Creek unit of the Missouri Basin project; to Interior and Insular Affairs Committee (p. 3571).
9. FOREIGN AID. H. Con. Res. 95, by Rep. Javits, favoring shipment of wheat to Pakistan for famine relief; to Foreign Affairs Committee (p. 3571). Remarks of author (p. 3541).
10. ADMINISTRATIVE PROCEDURE. S. 1708, by Sen. McCarran, to protect the independence of hearing examiners under the Administrative Procedure Act; to Judiciary Committee (p. 3581). Remarks of author (pp. 3581-4).
11. CONTRACTS. S. 1703, by Sen. Payne, to amend the Walsh-Healey Public Contracts Act; to Labor and Public Welfare Committee (p. 3581).

ITEMS IN APPENDIX

12. RESEARCH. Sen. Thye inserted Secretary Benson's recent speech, "The Challenge: Research," favoring more agricultural research by private industry and government (pp. A2195-7).
Rep. Harrison, Nebr., inserted his recent statement before the Agriculture Appropriations Subcommittee supporting increase appropriations for swine-disease research (pp. A2176-7).
 13. ST. LAWRENCE SEAWAY. Rep. Zablocki inserted a Milwaukee County Board of Supervisors' resolution favoring this project (p. A2176).
 14. FLOOD CONTROL. Rep. Miller, Kans., inserted a Farm Journal article discussing the fight between farmers of Blue Valley and the Army Engineers over the proposed Tuttle Creek dam (pp. A2162-3).
 15. PERSONNEL. Rep. St. George inserted a Government Standard article approving of the new Civil Service Commissioners and stating that the Commission's days "are over as a secondary Government agency" (pp. A2163-4).
 16. FOREIGN TRADE. Sen. Humphrey inserted 2 Washington Daily News articles claiming that a bill by Rep. Simpson would "pack" the Tariff Commission and "take away most of the President's power in tariff matters" (p. A2165).
Rep. Smith, Miss., inserted a New York Journal of Commerce article opposing the Buy-American Act (pp. A2169-70).
Rep. Lane inserted a Boston Daily Record editorial opposing reductions in tariffs (p. A2182).
 17. FARM LABOR. Sen. Humphrey inserted a New York Times article describing the increase of illegal Mexican wetbacks in the U. S. (pp. A2166-7).
 18. TREATIES. Rep. McDonough inserted his testimony favoring his proposed constitutional amendment to limit treaty-making powers (pp. A2167-8).
 19. FARM PROGRESS. Rep. Perkins inserted a Licking Valley Courier editorial praising progress under REA and PIA and criticizing statements that these are "creeping socialism" and the Secretary's proposed budget cuts (p. A2169).
 20. LAND MANAGEMENT. Rep. Aspinall inserted a Washington Post editorial discussing the removal of Marion Clawson as Director of the Land Management Bureau (pp. A2171-2).
- COMMITTEE HEARING ANNOUNCEMENTS FOR APR. 22: Farm exports-imports, S. Agriculture (Tariff Comm.). Farm credit, H. Agriculture. Insurance on cotton exports, H. Banking. USDA appropriations, H. (exec) and S. Appns. Trip-leasing of transportation, H. Commerce. Single appropriation bill, S. Rules (exec).

principle, is damaging to an important industry, is self-defeating, and injurious to morale, I join with many others in asking that it be repealed.

H. R. 157 is the legislative instrument by which this burden will be lifted.

As public opinion says: "Give the moviegoers a tax free change to go to the movies."

SPECIAL ORDER GRANTED

Mr. JONES of Alabama asked and was given permission to address the House for 10 minutes today, following the legislative business of the day and any other special orders heretofore entered.

CORRECTION OF ROLL CALL

Mr. HOFFMAN of Michigan. Mr. Speaker, I ask unanimous consent to correct rollcall No. 24 to show that I voted in the negative.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

SPECIAL ORDER GRANTED

Mr. PRICE asked and was given permission to address the House for 5 minutes tomorrow, following the legislative business of the day, and any other special orders heretofore entered.

APPOINTMENT OF REPUBLICANS IN PLACE OF DEMOCRATS

(Mr. HOFFMAN of Michigan asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HOFFMAN of Michigan. Mr. Speaker, last night's press carried a statement that Secretary of the Interior McKay had removed a Mr. Day and appointed in his place a Mr. Farley. A distinguished Member of the State of Tennessee who was one time a candidate for the Presidency strenuously objected to that procedure, stating that it was a shame.

I thought that when the people last November voted for a change the administration was privileged to dispense with the services of some of these professional officeholders who had been frozen into office either by a Presidential reorganization plan or for political purposes put in office by the administration.

I recall that President Roosevelt and President Truman were very choosy when they were selecting United States Court judges, and they put in all Democrats, many of them New Deal Democrats. That was really questionable political procedure.

I was wondering whether what was then a virtue has now become a sin. Just why should the present administration keep in office all those politicians who for political activities were appointed to office. I cannot figure it out. I do not know why they cry. They are not good sportsmen. They are poor losers. You kicked out our people and put in your men. Now you squawk when anyone even suggests that your

political henchmen should not have life tenure.

How can there be a change if the same old crew continues in office? Unless the President gets next to himself and fires some of the political policymakers, there will be no change.

WHEAT FOR PAKISTAN'S FOOD CRISIS

(Mr. JAVITS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. JAVITS. Mr. Speaker, I call the attention of the House to the very drastic wheat shortage in Pakistan.

I have introduced a concurrent resolution stating:

Resolved, etc., It is the sense of the Congress that the Government and people of Pakistan have the sympathy of the United States in their crisis of a drastic food shortage and threat of famine this year and that such measures of assistance as are appropriate for the United States based upon the ascertained emergency requirements should be given for the benefit of the people of Pakistan.

In a reported interview last week, the Prime Minister of Pakistan stated that Pakistan's entire 75,000,000 population faced imminent famine unless 1.5 million tons of wheat were poured into its fast-emptying granaries. Pakistan's problem is attributable to a drastic wheat shortage caused by a lack of rainfall in West Pakistan where most of the country's wheat is produced. I have received from the Foreign Agricultural Service of the United States Department of Agriculture, at my request, a report on this situation, an excerpt of which follows:

Over 99 percent of Pakistan's wheat is produced in West Pakistan. Lack of rainfall in the Punjab at planting time in the fall of 1951 reduced last year's crop 22 percent below the average of the 3 previous years. Again in the fall of 1952 there was reportedly an extended drought in the wheat area of Pakistan resulting in reduced planting of wheat—15 percent less than last year's seeded acreage. If the April-May harvest produces 15 percent less wheat than last year, a crop of about 2,608,000 tons would be the result. The United States Embassy in Karachi has estimated that this year's wheat crop will total 2.9 million to 3 million tons. A crop of 3 million tons would be 25 percent below the average for the 3 years 1949-50 to 1951-52.

It is my understanding that the whole subject is now under inquiry by the Department of State, the appropriate agency of our Government which is concerned, and that suitable and timely recommendations will be made to the Congress. The purpose of this resolution is to demonstrate to the government and people of Pakistan that there is lively interest in their food shortage problem in the Congress and deep sympathy with their reported plight.

I consider the Dominion of Pakistan to be an element of great strength to the people of the free world in south and southeast Asia, an area which stands in grave and constant danger of Communist aggression or penetration by subversion. Famine conditions for reasons beyond the control of the people of Pakistan become therefore a problem for

the whole free world. It is in our national interest and in the interest of a permanent peace and free institutions that a people as devoted to these objectives as are the people of Pakistan should not be subjected to the social strains and pressures of famine conditions insofar as our country can properly help to avoid them.

As is shown by the following report, also from the Foreign Agricultural Service of the United States Department of Agriculture, there has been no material diversion of agricultural acreage in Pakistan to cash crops like cotton and jute:

The acreages devoted to cotton in 1951-52 and in 1952-53 are almost the same as the annual average acreage during the period 1941-42 to 1947-48. The acreages in oilseeds and in rice also have changed very little although there seems to have been about 200,000 acres planted to jute in 1952-53 that were in rice the year before. The total acreage in rice and other food grains during the period 1941-42 to 1947-48 averaged 40,818,000 acres annually compared with a total of 39,907,000 acres in 1952-53, a reduction of less than 3 percent. This does not exclude the possibility that there may have been significant shifts in acreage away from food crops to cash crops within individual states or provinces. They do indicate that on a nationwide basis (east Pakistan and west Pakistan) the acreage devoted to food grains in 1952-53 was similar to the pattern prevailing during the years immediately prior to the partition in 1947.

I was active in the congressional actions which resulted in the passage of the India Emergency Assistance Act of 1951 providing a long-term loan of \$190,000,000 to provide India with 2,000,000 long tons of grain urgently needed to avert a famine situation there in 1951. I join with all other Americans in being gratified by the fact that this assistance aided materially in a dire situation for India at the time; also that it could be compared so favorably with the meager assistance of only 95,000 tons of wheat which India received from the Soviet Union—wheat which, in addition, India had to pay for in cash at a high price. I look for early action to ascertain the fundamental food needs of Pakistan and to join in bringing about help by our country in an appropriate way as those needs show to be required.

FIRST INDEPENDENT OFFICES APPROPRIATION BILL, 1954

Mr. CHENOWETH. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 207 and ask for its immediate consideration.

The Clerk read as follows:

Resolved, That immediately upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 4663) making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1954, and for other purposes, and all points of order against said bill or any provisions contained in said bill are hereby waived. That after general debate, which shall be confined to the bill and continue not to exceed 4 hours, to be equally divided and controlled by the chairman and ranking minority member of the

Committee on Appropriations, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

The SPEAKER. The gentleman from Colorado is recognized for 1 hour.

Mr. CHENOWETH. Mr. Speaker, I yield 30 minutes to the gentleman from Virginia [Mr. SMITH] and of the balance yield myself such time as I may require.

The SPEAKER. The gentleman from Colorado is recognized.

Mr. CHENOWETH. Mr. Speaker, this rule makes in order for consideration the first of the annual appropriation bills to be considered by this House. This year the independent offices appropriation bill for 1954 will be taken up in two parts. This is the first of two bills and the second bill will be considered at a later date.

This is a rather important rule and I want the Members of the House to be fully advised concerning the same. This rule waives all points of order against the bill or any provision thereof.

There is one very controversial matter contained in this bill, the issue of public housing, which I am sure will receive a great deal of attention during the debate on this measure. The adoption of this rule will permit the House to consider this matter and other provisions of the bill, which would otherwise be subject to a point of order.

The rule is an open rule providing for 4 hours of general debate to be equally divided between the chairman and ranking minority member of the committee.

Mr. Speaker, I reserve the balance of my time.

Mr. SMITH of Virginia. Mr. Speaker, I yield 7 minutes to the gentleman from Illinois [Mr. YATES].

Mr. YATES. Mr. Speaker, I desire to propound a parliamentary inquiry, if I may.

The SPEAKER. The gentleman will state it.

Mr. YATES. As I understand the rules of the House, if this rule is voted down—and I am opposed to the rule—this appropriation bill may nevertheless come to the floor as a matter of right; is that correct?

The SPEAKER. Under the general rules of the House appropriation bills are privileged.

Mr. YATES. And require no rule from the Rules Committee?

The SPEAKER. Except where unusual circumstances are present.

Mr. YATES. In other words, the purpose of this rule is to waive points of order to legislative provisions in the bill.

The SPEAKER. The Chair does not believe the Chair wants to interpret the purposes of the rule; that is a subject for debate. Under the general rules of the House an appropriation bill is privileged, and can be considered at any time.

Mr. YATES. I thank the Chair. I will draw my own interpretations of the rule, then. As the Speaker has indicated, this rule is not necessary in order to bring

the independent offices appropriation bill to the floor of the House for consideration. The only purpose of the rule is to freeze into the bill certain legislative provisions which, to my way of thinking, should not be a part of any appropriation bill. They are properly within the province of appropriate legislative committees of the House.

What legislation does this bill propose the House shall pass? One of the provisions about which little has been said is the windfall provision for the large financial institutions. It could properly be termed the big bankers' bonus bill. I direct your attention to page 39 of the bill, line 19, where it is stated:

That during the fiscal year 1954 the Administrator shall make every effort to dispose of at least \$1 billion of the mortgages held by the Association, subject, if necessary, to discounts he may consider reasonable and advisable in the circumstances, and to use the proceeds to reduce the borrowings from the Treasury.

Why do I call this the big bankers' windfall provision? Because the only firms to which the Administrator of FNMA sells the mortgages in his portfolio are the big insurance companies, the big banks and real estate houses. Under the rules of FNMA, the mortgages cannot be bought by an individual; therefore, the only ones who will be able to buy these mortgages at a discount will be the large banking institutions, many of which had previously been sold to FNMA by the same institutions. I refer you to the hearings on that point. Mind you, the mortgages that are being sold by FNMA, too, are not the ordinary types of mortgages. These are safe mortgages. They are foolproof. There can be no losses. These are mortgages that have been guaranteed by the Federal Government through FHA and through the Veterans' Administration, all of which bear the faith and credit of the United States Government in varying amounts from 40 percent to 90 percent.

Secondly, the legislation in this bill, as the gentleman from Colorado has pointed out, sounds the death knell for the public-housing program. This bill gives the big bankers a bonus; at the same time, in this clause it kicks the little fellow and prevents him from obtaining housing under decent conditions; it prevents him from getting out of the despair of the slums into the sunshine.

Mr. CHENOWETH. Mr. Speaker, will the gentleman yield?

Mr. YATES. I yield to the gentleman from Colorado.

Mr. CHENOWETH. I am sure the distinguished gentleman does not want to leave the wrong impression with the Members of the House. The adoption of this resolution does not freeze anything in this bill. It does not make any determination as to what action will be taken on matters contained in the bill. The decision on these issues must be made by a majority of the Members of the House. This is an open rule, any germane amendment may be offered, and fully debated. Every Member of the House will have full opportunity to vote on every provision of this bill. This resolution makes it pos-

sible for the House to act on matters which the Subcommittee on Appropriations feels should receive consideration at this time.

Mr. YATES. What the gentleman is saying is that he favors legislation in an appropriation bill.

Mr. CHENOWETH. That is a matter for the House to determine.

Mr. YATES. The rules of the House provide there shall be no legislation in an appropriation bill. The gentleman is arguing for this rule which will permit legislation in this bill.

Mr. CHENOWETH. It is not unusual to bring in appropriation bills with points of orders waived. It has been done many times, as the gentleman knows.

Mr. YATES. I agree, it has been done many times and the practice has grown in the last few years. But I am not one of those who thinks that the jurisdiction of legislative committees should be assumed by the Appropriations Committee. I think the proper legislative committees of the House should consider the matters.

Mr. CHENOWETH. That is a matter for the House to decide. Those who are opposed to considering these issues can vote against the adoption of this rule, after the rule is adopted each Member will still have the opportunity to vote for or against any proposal that is considered.

Mr. YATES. That is correct.

Mr. CHENOWETH. I want the House to be fully informed as to the purposes of this resolution, under the terms of which the Members are not deprived or precluded from expressing themselves on any of the provisions of the bill.

Mr. YATES. I would not deceive the House in any respect and I have not done so. I insist that this resolution is not necessary because the bill can come to the floor under the rules of the House without a rule. With the rule, legislative provisions in this bill will not be subject to points of order.

Mr. CHENOWETH. All that the resolution does, I may say to the distinguished gentleman, is to make it possible for the Members of the House to express themselves on these important issues. Otherwise, they would not have the opportunity to do so.

Mr. YATES. On many controversial issues which properly should be the subject of the committee headed by the gentleman from Michigan [Mr. WOLCOTT].

Mr. Speaker, what this bill does in effect is nip off the public-housing program for the future. Whatever your feelings may be with respect to public housing, and in my opinion, the time has come to take another look at the overall housing picture of the country, because we have a different picture than we had when the act of 1949 was passed, we ought not to act arbitrarily and precipitately. Perhaps we ought to taper off the public-housing program. But what this bill does is to kill it once and for all. The Home Housing and Finance Administrator, a former distinguished Member of this Congress, Mr. Cole, of Kansas, came to our committee, and stated that in his opinion 35,000 units of

public housing construction should be authorized for this year in order to give the President and his administration an opportunity to examine the housing situation in the country. Mr. Cole was one of the bitterest opponents of public housing when he was in the House.

For those reasons, for the reason that the rule is not needed to bring this bill to the floor, for the reason that the rule will permit unnecessary and undesirable legislation in this bill, I urge this House to vote down the rule.

Mr. CHENOWETH. Mr. Speaker, I yield 5 minutes to the gentleman from New Hampshire [Mr. COTTON].

(Mr. COTTON asked and was given permission to revise and extend his remarks.)

Mr. COTTON. Mr. Speaker, I will not use the 5 minutes; I probably will not need more than 1. I simply want to comment very briefly on one statement made by my distinguished friend from Illinois [Mr. YATES], my colleague on the subcommittee, whom we all esteem most highly. I understood him to say to this House that he felt it was necessary to pause, look over the situation regarding housing, reappraise it, and see just what our future policy should be. With that, I think, we all agree.

Now, the implication was that by the adoption of this rule and by the passage of this bill public housing would be permanently destroyed; the law which authorized it permanently repealed, and that we would be precluded from such a survey. The contrary is the fact, because if this bill is passed it simply suspends during the period of fiscal 1954 the starting of public housing, and there is nothing in the world to prevent this Congress, next year, after it has appraised the situation, from starting again. It can then decide to start 35,000 or 50,000 or 75,000 or 100,000 starts in the ensuing year. So, if what my friend wants is an opportunity to reappraise the situation—to take a second look—that opportunity certainly is afforded by this bill, and while we are taking that look the bureaucrats downtown will not be able to build more houses and force communities to build more houses when they do not want to build them, as happened out in California recently.

Mr. YATES. Mr. Speaker, will the gentleman yield?

Mr. COTTON. I yield to the gentleman from Illinois.

Mr. YATES. I merely want to say to the gentleman that perhaps he forgets that there is a new administration. The bureaucrats downtown are now Republicans.

Mr. COTTON. Not yet.

Mr. YATES. What I proposed in my speech to the House was the opportunity to continue under the present law. This is the same view as has been announced by the President and by his administration, namely, to permit the construction of 35,000 public-housing units. That law will obtain if the provision which is now in the bill is stricken, because of last year's law.

Mr. COTTON. I thank the gentleman for his contribution, and I gather from it that he is now discussing some-

thing that will be more fittingly discussed later, but that he concedes that the passage of this bill, or the adoption of this rule, does not in any way permanently destroy public housing in this country. It does allow us to take the look he desires. It suspends rather than repeals the law.

Mr. SMITH of Virginia. Mr. Speaker, I yield 5 minutes to the gentlewoman from Missouri [Mrs. SULLIVAN].

Mrs. SULLIVAN. Mr. Speaker, I hope that actions such as the Appropriations Committee's emasculation of the public-housing program will begin to awaken the American people to the sharp differences between the Democratic Party and Republican Party which have always existed, but which millions of voters seemed to forget last November.

Many voters were lulled into apathy by the fine campaign promises of General Eisenhower in which he embraced most of the social-welfare programs conceived and nurtured by the Democratic Party, and which were fought tooth and nail by the general's own party, the Republican Party. They believed General Eisenhower last fall when he said:

We must have better housing for those Americans who are now forced to live in slums and substandard dwellings.

Mr. Speaker, I rise in opposition to the committee. It is difficult for me to restrain the indignation I feel at the action of the Appropriations Committee in attempting to repeal the Housing Act of 1949. The Congress can, of course, repeal any law it enacts. Such action, however, should be done through the appropriate legislative committees with a fair hearing to both opponents and proponents and full opportunity for discussion and debate—not by lack of appropriation.

The Housing Act of 1949 was enacted after perhaps one of the most searching investigations ever conducted by the Congress. Over 5 years of study, 8 different reports by legislative committees, nearly 10,000 printed pages of testimony—all of these led up to enactment of the Housing Act.

Almost immediately after passage of the act my own city of St. Louis embarked upon an ambitious program of low-rent housing and urban redevelopment to rid itself of festering slums and to dedicate itself to decent living for its citizens. We applied for and received an allocation of 7,200 units—only a part of what we will eventually need.

Because all of our projects are planned for densely occupied slum sites our progress has been slow. We could not displace large numbers of families until there was some place for them to go. Of the 7,200 units allocated for St. Louis 2,300 units have already been started. Actually we have completed one project of 704 units which had been planned years ago and is not chargeable to the new 7,200 allocation. Of the new allocation we have started 1,736 units in one project. A construction contract has been authorized for 602 units in a 1,114-unit project. Although this project is planned for a single site, it is being con-

structed in stages because of dislocation problems.

What does the recommended committee action mean to my city? We could not go ahead with 4,862 units which are not under construction. We would lose more than two-thirds of the units which we have planned. Included in this loss are 512 units in a project we have already started and 2,872 units in projects for which we have contracts with the Federal Government but are not yet under construction. Advances have already been made of and more than \$3 million for planning and land purchase on projects which would not be permitted to go ahead.

If the House upholds the action of its Appropriations Committee it will be committing one of the most heartless acts in history. It will be ignoring the needs of millions of our citizens who cry out for help. I have had many letters in the past few weeks from people in my district who are fearful of what will happen by the abolition of rent controls. There is no place for low-income families to get respectable housing at rents they can afford.

When farm prices go below parity we are asked to appropriate funds for the support of farmers. I am in favor of such legislation. But when our city families are below parity—that is when their incomes will not permit them to pay for decent minimum housing—our Appropriations Committee says "Sorry—no more housing—we must balance our budget."

The 80th Congress gave the American people a pretty clear picture of the Republican Party 4 years ago. The 83d Congress is off to a flying start in doing just that again. I hope our Republican colleagues will pardon us if a year from now we begin to bring that picture into clear focus for every one of our constituents.

If this and other pending legislation is passed the 83d Congress will go down as the Congress which forgot the forgotten man.

Mr. CHENOWETH. Mr. Speaker, I yield 3 minutes to the gentleman from California [Mr. PHILLIPS].

Mr. PHILLIPS. Mr. Speaker, if the gentleman from Illinois [Mr. YATES] will turn to page 1146 of part 3, where he was questioning Mr. Baughman as to the reason why they are having difficulty in selling these mortgages, the gentleman from Illinois [Mr. YATES] asked:

Who was the biggest customer?

And Mr. Baughman replied:

The biggest customer is perhaps the New York Life Insurance.

Before that the gentleman from Illinois [Mr. YATES] said:

I am surprised you do not have most of your largest ones among the insurance companies—

Meaning the largest customers. Then down at the end of the page the gentleman from Illinois [Mr. YATES] said:

Are you finding increased difficulty in the disposition of your loans?

Mr. Baughman said:

We would like to sell a whole lot more than we have been selling.

He said they were having difficulty in selling them at par and that it is a very difficult assignment. Before that he had already said they were trying very hard to sell them to small investors.

The only thing I was going to point out to the gentleman from Illinois is that the Office of the Administrator in the Housing and Home Finance Administration is trying very hard to sell them and has been trying very hard to sell them to small purchasers but finds it very difficult and nothing we are doing in this bill is giving any authority which the agency does not now have but merely emphasizes the authority and suggests that it puts a little more effort in disposing of mortgages which otherwise have accumulated to an amount of \$2,700,000,000. This money could much better be applied on the national debt.

Mr. YATES. Mr. Speaker, will the gentleman yield?

Mr. PHILLIPS. I yield.

Mr. YATES. I should like to point out I agree essentially with what the gentleman has stated. I do not think the gentleman has negated anything I have said. As a matter of fact, on page 1148 of the hearings in response to a direct question which I asked Mr. Baughman and I quote: "You mean the ordinary investor who wants to buy a mortgage you hold in the portfolio?" Mr. Baughman said, "We do not sell to individuals; we deal with firms. They can go to the institution if they want to."

The only point I made and which appears elsewhere in the hearings is that FNMA's customers are the large financial institutions in the country and if this provision remains in the bill there is no question in my mind at least that if FNMA goes along with the mandate in this bill to sell a billion dollars worth of mortgages it will be primarily to large financial institutions in the country particularly in view of the fact that they are to be sold at a discount.

Mr. PHILLIPS. That is the gentleman's opinion, which I respect—and my opinion, which I hope the gentleman likewise respects, is that the market will have to be among the smaller purchasers because by the time the Treasury gets the large purchasers loaded up with refinancing the bond issues, FNMA will have to look outside of that field as well as in it.

Mr. SMITH of Virginia. Mr. Speaker, I yield 8 minutes to the distinguished minority whip, the gentleman from Massachusetts [Mr. McCORMACK].

(Mr. McCORMACK asked and was given permission to revise and extend his remarks.)

Mr. McCORMACK. Mr. Speaker, I listened to the remarks of the gentleman from New Hampshire [Mr. Cotton], and I made a note of one of his remarks which I quote, and if I quote him incorrectly I would welcome correction by my friend. During his remarks, referring to some observations made by the gentleman from Illinois [Mr. Yates], the gentleman from New Hampshire [Mr. Cotton] said:

We simply suspend during fiscal 1954 the starting of new housing.

If I am incorrect in the quotation from the gentleman from New Hampshire, I will gladly stand corrected.

In other words, according to what my friend says, failure to appropriate money for low-cost housing in this bill is only for the fiscal year 1954.

May I call to the attention of the gentleman from New Hampshire and my colleagues the language of the bill on page 24, starting in line 17, where it reads:

After the date of approval of this act—

Get that language.

After the date of approval of this act, enter into any agreement, contract, or other arrangement which will bind the Public Housing Administration with respect to loans, annual contributions, or authorizations for commencement of construction, for any dwelling units or projects.

That is permanent legislation.

Mr. COTTON. Mr. Speaker, will the gentleman yield?

Mr. McCORMACK. I yield to the gentleman from New Hampshire.

Mr. COTTON. I am sure the distinguished gentleman from Massachusetts remembers that each year when we have adopted an appropriation bill, after limiting the housing starts for the subsequent year, whether it is 5 or 10 or 25,000, we also see to it that during that year they could not do what we call leap-frogging, making contracts for the future. This does the same thing; stops any future contracting.

Mr. McCORMACK. So it is permanent legislation.

Mr. COTTON. Permanent until next year. It can be changed.

Mr. McCORMACK. But this does not expire with the end of the fiscal year 1954.

Mr. COTTON. Does the gentleman remember one single year when we have not had an appropriation bill? This matter is dealt with automatically every year.

Mr. McCORMACK. I am discussing what the gentleman said. He said that this simply suspends during the fiscal year 1954 the starting of new housing. If my understanding of this language is correct, that is not so. It is a repeal of the present housing law in relation to the authorization for housing units. This is not a failure to make an appropriation for the fiscal year 1954, as a result of which no housing units can be contracted for during that period, and then in fiscal 1955 it could be considered again; but under this language it is permanent legislation placed in an appropriation bill, and it prevents appropriations in 1955, 1956, 1957, unless the Congress acts affirmatively.

Mr. COTTON. Will the gentleman yield again?

Mr. McCORMACK. I yield.

Mr. COTTON. I am sure the gentleman knows that the fundamental law is still on the statute books, and it can be put into effect next year or the year after or any other year, and I still reiterate that this is a moratorium and is a suspension, as a practical matter, whatever the gentleman says.

Mr. McCORMACK. I think you had better look into the matter, because this language does not carry out what the gentleman states. This language is permanent in nature. This language will prevent the appropriation of money in fiscal 1955, 1956, or 1957—I respect my friend's views, but I understand language, and I looked into it before I took the floor to make these remarks. We can put a limitation on a particular appropriation bill for a fiscal year, but this is more than a limitation. This is not a limitation confined to fiscal 1954. Of course that has been done repeatedly, but that is not permanent legislation. It suspends the operation of it by reason of failure to make appropriations, and it is all limited, as provided in the limitation; but this is not a limitation. This is permanent legislation, and the gentleman ought to know it; and I suggest, if that is not what the committee intended, when this comes up, if the rule is adopted, a proper amendment should be made confining it to fiscal 1954.

Mr. YATES. Mr. Speaker, will the gentleman yield?

Mr. McCORMACK. I yield.

Mr. YATES. The gentleman does not mean to imply by his last statement that the rule should be adopted?

Mr. McCORMACK. Of course not. Anyone who votes for the adoption of this rule is voting to kill low-cost housing; there is no doubt about that. If there is a roll call on this rule I am going to vote against the rule because anyone who votes for the rule is for all practical purposes voting to kill low-cost housing for all time, not only during fiscal year 1954 but in the succeeding years thereafter.

Mr. YATES. Not only are there the bad provisions with respect to low-cost housing but there are many other provisions which never should be in the bill.

Mr. McCORMACK. Of course not. Now, coming to the \$1 billion sale of mortgages, that is fundamental legislation. Let us see about that. The Treasury recently increased on a bond issue the interest rate to $3\frac{1}{4}$ on them. I am interested in knowing who will get the $3\frac{1}{4}$ percent. Two and a half percent bonds are selling at 92—that was the market price yesterday—the lowest price United States bonds have hit for decades. Only last year, or a little over a year ago, I stood in the well of this House and said that if the market was not supported the bonds would go down below 100. Just that happened, and yesterday United States bonds hit a price of 92, yet we have a premium bond of $3\frac{1}{4}$ percent oversubscribed five times. I would like to find out who the subscribers were. It would be interesting to know where those bonds have gone, who were the favored ones picked out to buy them.

But what about the holders of the $2\frac{1}{2}$ percent bonds which are selling at 92 in the market?

Are we going to make a preferred class of those who hold $3\frac{1}{4}$ percent bonds, a preferred class to receive a larger rate of interest, and yet take low-cost housing from another class, the people of low incomes? This is worse than the "do-

nothing" Congress. Such a thing would in my opinion warrant the label the "death Congress."

Mr. CHENOWETH. Mr. Speaker, I yield 2 minutes to the gentleman from New York [Mr. JAVITS].

Mr. JAVITS. Mr. Speaker, the majority has the duty to bring up appropriation bills. As a member of the majority, if the only way to bring up an appropriation bill was by this rule I would be for it; but that is not the case; the bill can come up anyhow. This rule is intended to put legislation in an appropriation bill. I am against that because I am against legislating on appropriation bills. Further than that, Mr. Speaker, in taking such a stand I believe I am sustaining the program of the President.

The Housing Administrator who appeared before the committee handling this bill said:

Perhaps the largest and certainly the most controversial change in the revised budget is the reduction of the proposed new starts of low-rent public housing from 75,000 to 35,000. The decision to make this change was made by the Executive Office of the President with my concurrence. Thirty-five thousand units, as this committee well knows, is the program level most recently approved by the Congress. In my opinion, the fair and consistent thing to do is to continue the program at that level until we have completed our reviews and are prepared to make further recommendations to the Congress.

That is what he said; that is the policy of the President, and members of the majority who want to sustain the policy of the President should be opposed to any change in that provision.

Mr. Speaker, there is a lot more to it than has been stated thus far, because the Public Housing Administration has contracted for 65,000 units on which construction has not yet been started, I am informed. A lot of land has been acquired for public housing projects, areas have been condemned, money has been spent on planning. This particular language kills that as well. It effectively kills the program without the consideration of the Committee on Banking and Currency and without any program to substitute for it, which as I conceive it was the reason why Mr. Cole and the President have recommended carrying on the present program before the committee.

The thing to do now in good conscience if Members want to sustain the President's program is to vote against this rule, and I shall do so.

Mr. CHENOWETH. Mr. Speaker, I yield 4 minutes to the gentleman from Ohio [Mr. BENDER].

REMINDER TO NEW DEAL DEMOCRATS

Mr. BENDER. Mr. Speaker, the gentleman on the minority side who has just left the floor is indulging in the luxury of irresponsibility. He has already forgotten the lessons of last November 4. The American people have not forgotten. We have not forgotten the undercover agreements at Teheran, Yalta, and Potsdam. We remember that not a single Republican leader attended these meetings. Alger Hiss did.

Let us remind our friends across the aisle why we are in trouble all over the world. We are in it up to our necks because the Democratic leadership at Yalta gave Russia Outer Mongolia, southern Sakhalin, and the Kuriles. The Democratic leadership gave the Soviet Union three votes in the United Nations; it allowed Russia to annex half of Poland and set up a Communist regime in the other half. Our Democratic friends would like us to forget that their spokesmen forced the Chinese National Government to surrender all of Manchuria to Communist control. They want us to shut our eyes to the fact that Port Arthur and Dairen, two of the most important strategic ports of the Far East, were turned over to Communist control by the Democratic Party without consulting a single Republican, or the people of China for that matter.

We are in trouble in Europe because the same Democratic leadership turned its back on Latvia, Estonia, Lithuania, Poland, East Germany, East Austria, Czechoslovakia, Hungary, Albania, Bulgaria, and Rumania. We permitted the Soviet Union to gobble these people up without a word of protest.

Mr. YATES. Mr. Speaker, will the gentleman yield?

Mr. BENDER. Not at this time.

Mr. YATES. Mr. Speaker, I make the point of order that the gentleman is not speaking in order.

Mr. BENDER. I am speaking in order.

The SPEAKER. The gentleman will proceed in order.

Mr. BENDER. The gentleman and some of the others on that side do not like to hear this, but it is all true.

These are the facts, Mr. Speaker. When some of the gentlemen on the other side of the aisle condemn the Republican Party, which has been in authority for exactly 3 months, we must remind them that theirs is the responsibility for the disasters of two decades. We are trying to clean up their mess. It will take some doing.

All of the cheap and tawdry arguments of the New Deal are shopworn. The American people caught up with them last November. They elected President Eisenhower and they elected a Republican Congress. My friend from Texas who is about to obtain recognition will endeavor through wisecracks and ridicule to defend the position of the minority. By reciting the record of the past 20 years, I have gotten under their hides. They know what I say is true.

From 1933 until 1937, they did nothing to solve the problems of the underprivileged or to provide a sound economy. They boondoggled and bungled and not until war broke out in Europe did the unemployed find work or the poor receive relief on a dignified basis. As a result of wholesale discontent of the American people, we elected a Republican President and a Republican Congress, and we are now endeavoring to solve the problems created by them. Some of these New Dealers are very unhappy because the American people support the present administration in their

determination to deal honorably with them. To do justice, love mercy, and walk humbly is so apparent in the conduct of the President of the United States and the Speaker of the House, JOE MARTIN.

You can depend upon the opposition to magnify any disagreements on our side of the House. They will tell you how magnanimous they are and how interested they are in cooperation, but on every occasion, they will use every facility at their disposal in an effort to shake the confidence of the American people in a government determined to fulfill campaign pledges. Every Republican and many Democrats, not interested in political demagogery, will support our great President and a sound and progressive program which will provide relief from the indecision, confusion, and floundering of the last 20 years.

Mr. YATES. Why does not the gentleman support his program?

Mr. BENDER. I am supporting President Eisenhower and the Republican administration 100 percent.

Mr. SMITH of Virginia. Mr. Speaker, I yield 2 minutes to the gentleman from Texas [Mr. RAYBURN].

Mr. RAYBURN. Mr. Speaker, I have heard over and over and over again that the Republicans won the election last fall. I had almost come to the conclusion that they had, but sometimes I doubt that rather seriously.

I was very much enthralled and engaged by the talk of the gentleman from Ohio who seems to have taken the lead in foreign affairs for the Republican Party. I want to say to him now—I do not know whether he is considered exactly as part of the leadership—if I were the Republican leadership, either in the House or in the Senate, with the thin majority they have and with as thin ice as they are skating on at this time, I would try to get things done in just as nonpartisan manner as I possibly could, because there comes a time when partisanship can be practiced on both sides of this House. I know how to cause trouble if I want to. I know something about the rules of the House and the rights of the minority, and I want to see this administration one of these days spread its wings and get off the ground, let us know where they are going, what they stand for, and when they are going to do something about what they do stand for.

Yesterday I heard three speeches here; I think they were canned, sent up from somewhere, saying the same thing about General Eisenhower's speech. Well, I was glad he finally made a speech, and I hope he and Secretary Dulles will get an agreement pretty soon on this matter of foreign policy and that others in the administration will not be called upon to repudiate others in the administration when they are assigned to fix the policy of the Republican Party either in the foreign or domestic field. I just want to say to the gentleman from Ohio and others on that side of the aisle that we know we had an election last fall; we know that General Eisenhower was

elected by 6 million votes, but we still do not think it was a Republican victory, because when we used to carry the country by three or four million, we controlled the House of Representatives by 75 to 150 votes and the Senate anywhere from 10 to 20 votes. So, do not gloat too much and do not get more powerful in thinking than you are in fact.

Mr. CHENOWETH. Mr. Speaker, I yield 1 minute to the gentlewoman from Massachusetts, [Mrs. ROGERS].

(Mrs. ROGERS of Massachusetts asked and was given permission to revise and extend her remarks and to include a speech delivered by Brig. Gen. David M. Shoup, United States Marine Corps, on Patriots Day, April 20, 1953, at Lexington, Mass.)

Mrs. ROGERS of Massachusetts. Mr. Speaker, I wish everybody here could have heard General Shoup's speech of yesterday. General Shoup, as you may all know, is a Marine Corps general. He is a Congressional Medal of Honor man. He was decorated for gallantry above and beyond the call of duty at Tarawa in World War II. He was decorated by the King of England and he received many other decorations from the United States.

Mr. Speaker, I was delighted that an automobile of wounded Korean veterans were with General Shoup at the head of the parade. They should be at the head of every parade at Lexington.

Mr. Speaker, Korea is an international Lexington and Concord in the fight for freedom and against communism and oppression. At Concord and Lexington the first fight was waged for a free America. In Korea our American boys are fighting for a free America and a free world.

General Shoup's speech is as follows:

Citizens of the United States of America, good afternoon. I am very happy to be here. It is a pleasure, and I consider it also a great honor to have been invited to speak to you on this Patriots' Day. We are here in memory of those whose unquenchable determination to be free from oppression was so great that it exploded here in the shot still "heard 'round the world."

As I stand here I seem to remember that we are told that we can learn how to take the tremble from our voices and the shake from our knees when making a speech—but, thank God, no one has found a way to take the tingle from our spines on occasions like this.

What a thrill of pride we have as we stop in our 20th century pursuits to view this historic ceremony and once again to contemplate the happenings here at Lexington on that fateful morning exactly 178 years ago yesterday.

Many times in the past commemorative exercises have been held here. I suppose that the speakers on those occasions have tried to analyze what it was in the deeds of the Minutemen that has so sharply aroused our pride and kindled our feelings of patriotism ever since that memorable day. Within the scope of my limited ability to do justice to such a meaningful event, I, too, shall try to explore the Battle of Lexington in that vein, in terms of our responsibilities as citizens today.

Stripped to its essentials, the story of the battle of Lexington reveals a small group of citizens, chafed by the tyrannies of a despotic system, trying every peaceful means to gain redress, and finally risking their lives for the cause of personal free-

dom, for the right of every citizen to participate in the governing of himself and his fellowmen.

What does this story mean to us today? What guide-posts did the men of Lexington erect for the guidance of all generations of Americans and for the guidance of the liberty-loving peoples of all mankind? I believe there were two extremely important ones.

The first of these is to be eternally vigilant. The course of action found necessary by these men of Lexington doubtlessly inspired the familiar statement that "eternal vigilance is the price of liberty." These men not only inspired this thought, they moreover underlined it in a most dramatic fashion. They gave emphasis to the word "eternal," as I see it—not just being sometimes vigilant, but being vigilant at all times. Not only when it is easy to be vigilant, but also when it is difficult, even when the odds are some 800 trained soldiers of the king against the seventy-odd farmers who had the courage to risk their lives for their liberty and ours.

This first guidepost, to be eternally vigilant, has been left us by these brave men, but do we heed it? Like all guideposts it is clear and unmistakable if we but stop to read it. There was no question who the enemy of personal liberty was on that tense morning of April 19, 1775. Even the red-coats of the British soldiers made bright symbols of the hated enemy. Their punitive actions against the citizens were open and un concealed. It was easy for our men of Lexington to know the enemy as he came marching down this very road from Boston.

It is not so easy today for us to know the contemporary enemies of that precious liberty our forefathers left to us. It is not easy to know against whom to be vigilant. Knowing our strength and our national solidarity in the face of an obvious foe, our modern enemy of liberty has taken another tack. He has adopted a slippery, appealing program which seems—in some of its avowed intentions—to outdo even our American democracy in giving the people a part to play in shaping their own destiny. This is a wily enemy, this world communism, with its insidious program so deceitfully aimed at the most vulnerable spots in our tolerant personal and national makeup. Using our own beloved phrases and words, made so meaningful by brave men like those who fought here, we hear "liberty," "freedom," and "democracy" used by the proponents of this sinister creed. This is done in such persuasive ways that many of our heedless fellow citizens have fallen under their spell. Forgetting that the freedoms guaranteed by our Constitution encourage lawful, orderly change through the process of the ballot, these citizens accept instead a creed devoted to unbridled violence—a program which offers the destruction of all we hold dear.

No, this enemy wears no red coat to show his identity, as did the honest but misguided British soldiers of 1775. Yet the men of Lexington keep telling us that eternal vigilance is the price we must pay for our birthright as free men. They tell us we must be alert to recognize—and know for what they are—all those who give us false counsel, divide our loyalties, and promise utopia at the cost of the dignity of the individual man.

In the face of this crafty enemy we have no alternative but to keep ourselves militarily strong—strong enough to prevent our being overwhelmed by surprise attack, and strong enough to enable us to be a rallying point for all freedom-loving peoples in time of danger. This duty our people understand, and we have done a good job of expanding our military might. But this is not enough. This only protects against the obvious enemy—the external, military foe. The harder duty for us to recognize is that

we must keep ourselves morally strong and socially undivided within the concepts and framework of our Constitution.

Every one of us must be vigilant to resist any encroachment upon those liberties, guaranteed us by the Constitution and the Bill of Rights. We must resist unfairness and injustice to those of differing racial origin or religious creed, whom the Constitution also protects so long as they do not advocate the violent overthrow of our Government. We must insist upon all our fellow citizens being given the fair trial under law which is their right, before deciding them guilty of nonconformity. The minutemen of Lexington fought and died here to secure these rights for all citizens of our country. These rights we must constantly protect if we are to safeguard our heritage of freedom. So much for the first guidepost.

The second guidepost left for us is one of equal significance. It is to be willing to serve and willing to sacrifice; to offer our lives and fortunes to maintain that personal liberty which the men of Lexington prized so highly, and which has since been guaranteed to us by our Constitution.

I wish to stress that word "willing." These patriots banded together of their own volition. There was no selective service to call them to arms. To strike this first match to the powder keg of revolutionary war was no small matter to these men. They knew that hard years of sacrifice lay ahead of them if they were fortunate enough to avoid early and complete defeat. Yet, weighing the possibilities, they willingly joined in the small but significant effort that ultimately raised men's hopes around the world. These minutemen saw the need, and willingly did what in conscience they felt they must do. So today we citizens must be ever willing to do whatever is necessary to preserve our personal and national freedom, lest we lose it.

On the subject of willing sacrifice and service to our country and our people, I should like to read you a short but significant story from a textbook of American history.¹

"One day not long since, a man and a boy about 12 years old walked across the quiet Yale campus and paused before a statue standing beside an old building made of red bricks. The statue was that of a young man with a strong and handsome face. Pointing to it, the gentleman said: 'That is Nathan Hale, who lost his life long ago in the American Revolution. When he was in college he roomed in this building beside which his statue stands. He had been graduated only 2 or 3 years before the Revolutionary War broke out.'

"'Was he a soldier?' asked the boy. 'He has no gun.'

"'Yes,' said the man. 'He was one of those young men of revolutionary times who dared to become a soldier to fight the trained British Army, but he did not die fighting. He offered to go on a very dangerous mission for his beloved commander, George Washington. He disguised himself and went into the camp of the British Army to learn what the enemy were doing and what their plans were. He was caught before he could get back to his own army.'

"'And what happened to him?' asked the boy.

"The man pointed to the rope of metal which binds together the feet of the statue and to the young man's hands tied behind his back. He said simply: 'They hanged him from a tree until he died. Do you see those words written about the base of the statue?'

"The boy read the words, 'I only regret that I have but one life to lose for my country.'

¹ The Rise of American Democracy, by Mabel B. Casner and Ralph Henry Gabriel. Harcourt, Brace & Co., New York, 1941.

"Those were the last words that Nathan Hale ever spoke," said the man.

"For a long time the boy was silent, looking into the handsome face of the statue. Then he asked, 'Were there many men like Nathan Hale in the Revolutionary War?'"

"The man answered, 'Yes, there were many such men. If there had not been, our country would not have become the free country it is today.'"

What a willingness to serve Nathan Hale demonstrated. Only sorry that he could not willingly give another life for his country. Doubtless, the Minutemen of Lexington were motivated by the same willingness which Hale so ably expressed. Yet there are many Americans today who do not wish even to give their best civil effort, or their military service, let alone their life, for the preservation of the ideals those brave men fostered for us. How cold must be the conscience which is unmoved by the willing sacrifices of the men of Lexington and all our patriots who have followed them, even to those now on the cruel ridges of Korea. How dead the imaginations of those who do not glory in the imperishable concepts, the equitable laws, and the personal safeguards which our predecessors have given us. Of course, there are human flaws and imperfections in our implementation of these concepts. Individual citizens are often disillusioned by these imperfections. But these are not flaws of substance—nothing which could possibly invalidate the basic worth of our American way of life, any more than moral backsliding can invalidate the eternal truths of the human existence.

Sometimes a disillusioned citizen may wonder: "Is this freedom, this American way of life really worth my best services, and perhaps the sacrifice of my life?" I believe that nothing could be more worthwhile. Let us consider the very cornerstone of this American way, a basic truth which was held to be self-evident by Jefferson when he drafted the Declaration of Independence, "That all men are created equal; that they are endowed by their Creator with certain inalienable rights; that among these are life, liberty, and the pursuit of happiness." Is this not the same fundamental concept of the worth of the individual that we learn from the Scriptures? Yes, the American democracy is basically a political affirmation of the Christian faith. And, as such, it has far more than mere political importance to the world. This is the way the brave men who fought on this ground understood the matter of liberty. They thought it a worthwhile reason to risk their lives and fortunes. I believe it is just as worthwhile for us.

These, then, are our guideposts. The valiant Minutemen erected them here on the first Patriots' Day. These guideposts have a deep significance, for they have safely guided the destiny of our Nation for 178 years. They just as surely point the path we must follow in the future. This way is not always easy, for the guideposts direct each one of us to be eternally vigilant and to be willing to serve and to sacrifice. The Minutemen of Lexington exemplify the degree of devotion to neighbor and to country necessary if we are to preserve the indispensable benefits of our American democracy as a heritage to our children and a hope to the world.

I wish to conclude with my personal prayer. Please, God, may our ship of state soon find untroubled waters, and sail on and on in a world forever at peace.

Mr. SMITH of Virginia. Mr. Speaker, I yield 5 minutes to the gentleman from Indiana [Mr. MADDEN].

Mr. MADDEN. Mr. Speaker, I am opposed to the resolution now under consideration to grant a rule for H. R. 4663.

This bill, in effect, will, for all practical purposes, curtail Government cooperation in aiding thousands of defense workers and war veterans in industrial areas throughout the country from taking advantage of low-cost housing.

In a great number of localities throughout the United States the housing situation is very critical. In the Calumet region of Indiana thousands of families from other States have established residence during the last dozen years by reason of the heavy concentration of defense factories in this locality. People have moved into this area to work in the steel mills, cement factories, oil refineries, and the numerous other industries which have been operating to full capacity during the war and defense production period.

A great number of trailer camps giving shelter to thousands of people now exist in this industrial area of northwest Indiana. These defense workers and their families would be happy to purchase or take advantage of better living quarters if they were available at reasonable prices.

In the past our Government has aided a great number of families to live in suitable quarters through public housing and other financing methods provided by the Government for the common man to own or rent a suitable dwelling.

No doubt there are a great number of areas in the United States, especially in rural communities, where the housing situation is not critical and the Members of Congress representing these areas should be sympathetic with the highly congested living conditions of millions of families throughout America who live in substandard dwellings and slum areas in large cities.

This bill very generously advocates the elimination of slum areas, but makes no provision to aid those families ousted from the slum areas to purchase or rent suitable living quarters at reasonable rates. The ordinary American worker is not asking for charity or demanding that the Government provide him with a home, but is merely asking that some provisions be made to build suitable quarters where his family can live within their financial means.

A few private contractors and builders have made a sincere effort to construct and rent or offer for sale homes within the reach of the average worker. A vast majority of the private contractors or builders have taken advantage of the housing crisis in industrial areas and have offered homes for sale and rental at prices far beyond the reach of the average, medium, and low income citizens.

Instead of this legislation cutting the appropriation for public and low cost housing in critical areas, it should provide additional means so that thousands of defense workers and returning war veterans can buy or rent homes at reasonable prices.

I approve of some of the provisions made in this bill calling for a reduction in appropriations, but I do not believe that it is good economy to curtail a program that is aiding millions throughout

our country to enjoy suitable living conditions. We are spending billions to curtail and defeat communism, but substandard living conditions, slums and trailer camps will breed more crime and discontent among our vast populations in industrial areas than the money that is saved through curbing a program that will improve these conditions.

Mr. PHILLIPS. Mr. Speaker, will the gentleman yield?

Mr. MADDEN. I yield to the gentleman from California.

Mr. PHILLIPS. The same confusion is in other people's minds. The bill does not remove any money for slum clearance or urban redevelopment. It does not remove money for the Federal Housing Authority or other programs, only for Public Housing starts in fiscal 1954.

Mr. MADDEN. I mean, public housing.

(Mr. MADDEN and Mr. CHENOWETH asked and were given permission to revise and extend their remarks.)

Mr. CHENOWETH. Mr. Speaker, I yield 1 minute to the gentleman from Illinois [Mr. MASON].

Mr. MASON. Mr. Speaker, I am for this rule and I am against all forms of public housing. That is not a new thought to most of you people who have been watching my voting record.

I have heard the term "low-cost housing." I say without any fear of contradiction that if the facts are examined carefully there is no such animal as low-cost housing. There is no such animal. Where it is low-cost to some people, perhaps, who get advantages in renting this housing, it is high cost for housing, and the taxpayers have to pay it. I am opposed to all forms of public housing.

Mr. SMITH of Virginia. Mr. Speaker, I yield myself the remaining time.

Mr. Speaker, this bill, it is true, has some legislative provisions. That is the only reason why it was necessary that we should have a rule. I do not complain about legislative provisions in this bill because you will find, if you look back over the record over the years, that on almost every appropriations bill that has come before the House rules have been granted to waive points of order against legislative provisions. I am particularly favorable to the legislative provisions of this bill because I am for so many of them.

I have to differ with my good friend from Massachusetts [Mr. McCormack] because I think the provision that does away with the so-called public housing, which I call socialized housing, is the best legislative provision in the bill. I think we might just as well meet the issue fair and square on this public housing proposition at this time. I do not think it is a partisan matter, because for the past several sessions of Congress both Democrats and like-minded Republicans have voted public housing down in this House to a mere token number of houses. We have repeated that performance year after year.

Now, for the first time the House has the issue clearly before it: Is this country going to be for socialized housing or

are we going to stop this foolishness? I am for stopping the foolishness.

I think you will find this division is not on party lines, but you will find this division coming on the question of principle, whether Democrats or Republicans believe in socialized housing or whether they do not, and whether they are willing to stand up and be counted for it. For my part, I have always been willing to stand up and be counted on it and I am willing to do so now.

As far as the rule is concerned, there was no objection on the part of the ranking Democratic member from the Appropriations Committee to the rule. My recollection was that he favored it. The gentleman from Illinois opposed the rule and from his standpoint quite properly so, because he believes in the socialized housing program and the rest of us do not. For that reason, I think it rather fortunate that we have this bill and this rule here today so that once and for all we can meet this issue fairly and squarely and let the folks go on record for what they believe in and against what they do not believe in.

As far as the rule is concerned it is not an unusual rule. It does present to the House squarely and fairly the issue of public housing. There are a number of other legislative provisions in the bill and the House still has the privilege of voting it up or voting it down as it sees fit. So, Mr. Speaker, I hope very much the House will adopt this rule. I want to say it looks to me as if the Committee on Appropriations, both the Democrats and Republicans on this subcommittee, have made a fine start in the matter of reducing the appropriations and trying to balance the budget. We all want to balance the budget and we all want a tax reduction. From the standpoint of the majority of this House we are not going to get any tax reduction until we get a balanced budget. Here is a good start. The committee has done a good job. They have cut pretty drastically. I do not know whether we can hold all the cuts or not, but let us try to give the Appropriations Committee a break and give some encouragement in this matter of trying to balance the budget so that the people of this country can get some relief from the taxation which sooner or later is going to bring us to destruction.

A DOMESTIC POINT 4

(Mr. ROGERS of Colorado asked and was given permission to extend his remarks at this point.)

Mr. ROGERS of Colorado. Mr. Speaker, there is no place for petty politics when the peace and humanity of the world is at stake. In his speech last Thursday, President Eisenhower restated in almost identical terms the Truman point 4 program. He said:

We are prepared to reaffirm, with the most concrete evidence, our readiness to help build a world in which all peoples can be productive and prosperous. The purposes of this great work would be: To help other peoples to develop the underdeveloped areas of the world. * * * The monuments to this new kind of war would be these: Roads and schools, hospitals and homes, food and health.

We Democrats will support these objectives of the President, for they represent the principles our party has stood for these many years. We will never, as so many of the President's own party has done, stoop to partisan sabotage when the safety, security, and well being of the world weigh in the balance.

The President's budget asked for 35,000 low-rent public housing units for the next fiscal year. These are for the underdeveloped areas at home. Will the Republican majority follow their President and vote billions for assistance abroad and strip us of our defenses at home? Will they follow their President at all? Or will the Eisenhower Republicans join with us to support their President at home and abroad? It is beginning to look like the Eisenhower ticket is only good on a Democratic train.

This action of the Appropriations Committee to repeal the Housing Act, which was passed with bipartisan support, is an attempted stab in the back to the little man. He has no president of General Motors to speak for him; he has no board of directors to watch his interests—unless that board of directors is the Congress of the United States.

We want men and women of good will—men and women of both parties—on our board. We want men and women who will stand up and be counted for the little man. We must beat back this rapacious attack by forces that would scuttle progress, would sentence families to spend the rest of their lives in slums, that would rob children and the aged of the chance to live in decent surroundings.

Mr. RAYBURN. Mr. Speaker, may I ask the indulgence of the Members in calling to their attention that we have always kept the names of Members of the other body out of our discussions here in the House even by implication. I trust my friends, the gentlemen who were just engaged in colloquy, will delete from their remarks any reference to any Member of the other body or any action in the other body.

The SPEAKER. The Chair wishes to state that the rule is as my distinguished predecessor has very clearly explained it. The Chair hopes Members will not depart from the rules of the House and that they will not refer to Members of the other body either by name or by implication or make reference to any action in the other body.

Mr. CHENOWETH. Mr. Speaker, I have no further request for time.

Mr. Speaker, I move the previous question.

The previous question was ordered.

CALL OF THE HOUSE

Mr. HOFFMAN of Michigan. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. The Chair will count. * [After counting.] One hundred and forty-four Members are present, not a quorum.

Mr. HALLECK. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 25]

Auchincloss	Fogarty	Morgan
Bailey	Frelinghuysen	Morrison
Barden	Garmatz	O'Konski
Barrett	Green	Osmer
Brooks, La.	Hand	Ostertag
Brown, Ohio	Harrison, Wyo.	Patman
Buckley	Hart	Patterson
Bush	Heller	Philbin
Byrne, Pa.	Hill	Powell
Canfield	Hinshaw	Prouty
Case	Hoffman, Ill.	Rabaut
Chudoff	Howell	Regan
Davis, Tenn.	Hull	Riley
Dawson, Ill.	Kean	Rooney
Dingell	Kearney	St. George
Dodd	Kearns	Scott
Dolliver	Kelly, N. Y.	Sheppard
Dondero	King, Calif.	Sieminski
Donovan	Kluczynski	Steed
Dorn, N. Y.	McMillan	Taylor
Engle	Machrowicz	Teague

The SPEAKER. On this roll call 366 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

FIRST INDEPENDENT OFFICES APPROPRIATION BILL, 1954

The SPEAKER. The question is on the resolution.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. YATES. Mr. Speaker, I demand the yeas and nays.

The yeas and nays were refused.

So the resolution was agreed to.

Mr. PHILLIPS. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 4663) making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1954, and for other purposes.

The SPEAKER. The question is on the motion offered by the gentleman from California [Mr. PHILLIPS].

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H. R. 4663, with Mr. BETTS in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

Mr. PHILLIPS. Mr. Chairman, I yield myself 15 minutes.

(Mr. PHILLIPS asked and was given permission to revise, and extend his remarks.)

Mr. PHILLIPS. Mr. Chairman, this is the first bill for the 1954 fiscal year coming from the Committee on Appropriations. It is therefore, as has already been expressed by other Members of the House on both sides of the aisle, a test of this Congress.

The Subcommittee on Independent Offices brings it to you with what, I think, may be considered pardonable pride. We have all said throughout the last campaign, and throughout preceding years on both sides of the aisle, without

partisanship, that we want a balanced budget. We have said that we want a reduction in taxes. We have said, repeatedly, that we, as the Congress of the United States, wanted to return control of our economy, as nearly as we can return it, to local supervision and responsibility. This bill is a step in all three directions.

This bill covers appropriations for next year for 22 agencies of Government. Actually, there are 26 agencies, but 2 have been combined in the Housing Agency and 2 come under General Services, so that it is, as shown by titles in the bill, 22 agencies.

We will bring you a second independent offices appropriation bill the last week in May, containing the Atomic Energy Commission, Veterans' Administration, TVA and Selective Service, and perhaps 1 or 2 minor items that may accumulate at that time.

The reason is that we do not yet have revised budgets from those agencies, and rather than wait and send over to the other body at that time a larger bill, with some 26 or 30 agencies in it, we have requested the chairman to permit us to bring in a first independent offices bill and a second independent offices bill.

I would be lacking in appreciation if I did not thank the other members of the subcommittee, the gentleman from New Hampshire [Mr. COTTON], the gentleman from North Carolina [Mr. JONAS], the gentleman from North Dakota [Mr. KRUEGER], the gentleman from Texas [Mr. THOMAS], the gentleman from Alabama [Mr. ANDREWS], and the gentleman from Illinois [Mr. YATES] for the support and for the hard work which they have put in on this bill.

This is not a percentage cut in the budget. This is a cut in which investigators and accountants, with members of the subcommittee, have worked hard and I can make a general statement that there is no percentage cut. We know where the money is coming from, and we know why, and we can defend those cuts.

I would also point out that 7 years ago practically all of these agencies had larger budgets than they now have. It might astonish Members of Congress if they were to compare the appropriations for the various agencies and departments only 7 years ago—not 20 years ago but 7 years ago—with the budget recommendations and appropriation Committee recommendations that are coming out now, of which this will be the first. You will see why it is that cuts can be made, if made intelligently, in these appropriations, with no damage whatever to the agencies or departments involved.

I will use a very brief illustration. I placed in the RECORD today, which will appear in the Appendix of today's RECORD, a brief statement regarding the \$10 million appropriation which was requested for the Veterans' Administration when we met on the House floor on February 19. A motion was made to add \$10 million to the Veterans' Administration appropriation, presumably for hospitals. The subcommittee pointed out that it had already given all of the money

requested for hospitalization. We had given more money than had been requested for the other functions, after deducting the extra personnel which had been eliminated by the freeze order. We said this extra amount had been requested of us. It had not been considered before the committee and it was not being applied specifically, as we believed the author intended, to the hospitalization program.

I placed in the RECORD this morning a statement projected to June 30 of this year showing that the Veterans' Administration will have \$13 million surplus. In that event, at the end of the present fiscal year the adoption of the \$10 million suggested on the floor of the House would only have meant a surplus of \$23 million instead of \$13 million. I say that only because I think you will find that same situation applies to other departments and agencies.

A good many statements will be made that these cuts will damage the agency. I believe the members of my subcommittee on both sides of the aisle will explain why we think they will not damage it.

Now, Mr. Chairman, to conserve the time of the committee on what will be, I think, a busy day, let me go over as rapidly as possible the bill, and I will do it from the report. We have made one or two general provisions and restrictions; we have said that no more automobiles are to be purchased by these agencies until all automobiles presently owned and not in use—some of them practically new—have been put to the best use by all agencies of Government; and we have put the responsibility upon the Bureau of the Budget and the General Services Administration.

We have done the same thing with regard to the purchase of electrical computing machines in the departments and agencies. This is a matter on which there can be a very distinct economy; it will run into the millions, perhaps ten or twelve millions, if it can be carried out. I also am somewhat embarrassed to say that we probably overlooked an area of further economy right there. Apparently the salesmen of typewriting machines and electrical machines, having found restrictions placed upon them with regard to regulation typewriters, have now turned their attention and efforts to electrical typewriters. We will pick that up in the next bill.

We have, generally speaking, denied requests for additional personnel. That is not an absolute rule; there have been agencies where additional personnel was needed, and that personnel has been allowed; but we have tried to do it on a basis of need and not of generality.

The Executive Office of the President, the Battle Monuments Commission, and many of these agencies as I go down the list, have given the amount of the revised budget. The budget deductions which appear in the bill and in the report, are from the original budget, the Truman budget, upon which this committee technically and of necessity works; the entire Appropriations Committee.

I will use one illustration to show you what I mean by reductions compared to the 7-year situation. I have now come

to page 4 of the report and you will find there the Civil Service Commission. This Commission has been given \$16 million; it had asked for \$18 million. Your attention will undoubtedly be called by friends of the Commission to this and the statement made that we have made a cut of \$2 million. You might point out to them that 7 years ago the Commission received only \$13 million, and that we have therefore in a period of only 5 years increased them by \$3 million.

There is a provision under the Civil Service appropriation which I will take a little more time to discuss. I want it fully understood, because it is technical. I understand it will receive the attention of the legislative committee. I have been interested in this for the 6 years I have been on the subcommittee. I will now place in the RECORD at this point a letter from the past president of the New York Association of CPA's, a man whose name is nationally known as an authority in this field, Mr. Edward A. Kracke, a partner in the accounting firm of Haskens & Sells. The letter is as follows:

HON. JOHN PHILLIPS,
Chairman, Subcommittee on Independent Offices, House of Representatives.

MY DEAR CONGRESSMAN: In accordance with our conversation regarding the subject of actuarial trust funds in business and in Government, I am setting forth in the following the points brought out in that conversation.

At the outset it is to be stressed that this discussion deals solely with the financing of pension plans and not with the benefits to be paid to the beneficiaries. The basic differences that exist between business and Government, in the administration of pension systems may be illustrated by a suppositious example; the fact that such an example deals with wholly hypothetical conditions should not operate against any conclusions to be drawn therefrom, since it is only by excluding all elements not germane to the basic consideration that clear conclusions can be drawn.

The example concerns a country that, having unflinchingly balanced its budget every year, has never accumulated a national debt.

This country is about to inaugurate a pension system for all its employees (a non-contributing one, to further simplify the example), and is endeavoring to decide whether that system should be (I) an actuarial fund or, (II) a pay-as-you-go plan.

It turns to the business field in that country for informative guidance. It finds that, though some of the representative concerns have pay-as-you-go pension plans, the majority have actuarial funds for the purpose. Its examination and study reveal the following fundamental considerations with regard to the actuarial funds in business:

(A) They have trustees functioning wholly apart from the corporate employer, in order that the fund be to the fullest degree independently operated in the exclusive interest of the beneficiaries.

(B) The corporate employer makes payments of principal to the trustees, who invest the funds obtained in "outside" securities (i. e., those of other corporations). Thus the money of the stockholders of the employer corporation finances only such principal payments, while the income or earnings increment of the fund comes from the "outside" investments.

(C) Such outside investments by the trustees represent a very diversified portfolio, to the end that the insurance principle of

spreading the risk be operative to the utmost degree.

(D) Such portfolio contains, in a very important proportion, equity securities of the outside companies, as a hedge against the inflationary tendencies of the day.

Applying these four points to its own case, our hypothetical government finds that (A) will be inapplicable; if it adopts an actuarial fund, it will have to be employer and trustee combined. Moreover, it finds it completely impossible to have a Government fund comply with the kind of investments covered by (B), (C), and (D). Anything of this sort would be anathema in a country wholly opposed to the first step of socialism through the entering wedge of Government's control of business corporations.

Consequently, it finds that the adoption of any actuarial fund would mean such fund's investment in such country's own bonds. Such a procedure would entail these further considerations.

First. Having avoided a national debt, as something to be avoided if possible, it would now perforce have to become a "debtor" country (in that connotation of the term "debtor") much to its dislike.

Second. Having issued bonds and sold them to the "fund" in exchange for the cash provided by the principal appropriated to the fund, the question would arise as to what should be done with that cash: Invest it how and where? Not in securities of the country's business corporations, of course, nor in the further acquisition of natural resource properties; its opposition to socialism would preclude that. Nor could that money logically be returned to the country's taxpayers whose taxes—including such pension-fund donations—produced that cash. The question of disposal remained unanswered.

Furthermore, as to item (B), it found that whereas in the case of the corporate business employer the stockholders thereof paid only the principal of the fund—not the income accretions—as a definite part of the actuarial setup adopted, our hypothetical government, through its reluctant issue of bonds for the purpose, would make the ultimate payer—the taxpayer (the governmental counterpart of the business stockholder)—pay both the principal and the income increment of the fund (viz, the interest on the bonds).

Our hypothetical government then studied the pay-as-you-go alternative—the beneficiaries' benefits, of course, being exactly the same in either case.

Our hypothetical government concludes that with such wide differences between fundamental business and governmental conditions, its pension arrangements would best be made on a pay-as-you-go plan, particularly since, in the last analysis, a government bond in a fund would really add no real further weight to that government's statutory assurance to its employee beneficiaries of the pension plan. With its overriding powers of taxation, its pay-as-you-go appropriations had all of the validity of any illogically, however actuarially, designed fund.

No attempt, of course, has been made in the foregoing to cover anything like the whole range of the problems involved in the broad subject or to present all the arguments in favor of a pay-as-you-go plan. The above aims only to present salient considerations which perhaps have not been sufficiently emphasized in discussions of the subject.

I have discussed the foregoing with fellow members of our task force representing both controller and actuary functions of business, as well as governmental research, who concur in what is so set forth.

Sincerely yours,

EDWARD A. KRACKE.

Mr. CURTIS of Nebraska. Mr. Chairman, will the gentleman yield?

Mr. PHILLIPS. I yield to the gentleman from Nebraska.

Mr. CURTIS of Nebraska. I am very much interested in what has been done in reference to this fund because the principles involved have a bearing upon the reserve fund in the old-age and survivors section of the social security law. I would like to ask a few questions by way of information, for developing the record on this situation, if I may.

Mr. PHILLIPS. Could I make a statement and see if I have not covered it, because the same situation undoubtedly applies to the social security trust fund as applies to the civil service trust fund.

You must recognize first that a trust fund in the hands of a government is different from a trust fund in the hands of an industry. I think it may also be different from a State trust fund. If we had an industry which is creating a trust fund for the retirement of its employees, certain things would be apparent. It would not control and handle the money in its own fund. That would be placed in the hands of independent trustees, either corporate or individual. It would not invest the money in its own operating expenses. It would be required under the law to invest it in recognized securities which are approved for trust funds. It would not control, as I said, and determine the value of its own trust moneys.

We set up a trust fund for the retirement of civil service employees. To my interest and to yours when you read the bill, you will discover that in an amendment some years ago we did not require the Federal Government to pay any certain amount into that fund every year. We simply said that a percentage would be paid by the employees and the Federal Government assumed only the obligation of seeing that the money is available to be paid, no matter what the amount, when it is necessary to pay it.

Suppose, first, that the Government had no debts and suppose we were starting this for the first time. We would have a choice between two methods. One is to set up a fund on what is called an actuarial basis which actually does not apply to a government. It applies only to an industry. We could set up that fund by taking money away from the taxpayers and give that fund to the Treasurer of the Government, as we have been doing, who in turn would issue his own bonds, and who could charge the taxpayers interest upon those bonds, and then use the money to pay the operating expenses of the Government.

The other method approved by accountants and actuaries is simply for the Government to pay the amount necessary each year in order to take care of the retirement.

There is the whole thing in a nutshell. It has been said that this is not an actual cut, that it is a phoney cut. I deny that and I am willing to support my statement. If it were a phony cut, then it would be a cut from a phony appropriation. It is not that. The intent was excellent but not fully understood.

There is no question regarding the \$192 million that we took out, which was interest being charged us, not on ac-

tual money, but on what a group of accountants said should be the amount in the fund if it were an industrial fund. Such a fund is set up with the thought that the industry might go out of business any time and need the money. The Government is not going out of business and should conduct its affairs on that basis. That being the case, we have simply taken this money out for this year because more money will come in than will be spent this year, and it is bad budgeting and bad economy to keep putting money into a fund of a government, the only result of which is to make the Government pay interest upon that fund.

Mr. Chairman, I would like to conclude the bill before I am interrupted. There is at least one other item which may be mildly controversial. The items, Federal Communications Commission, Federal Trade Commission, and the General Accounting Office are, generally speaking, approximately what the revised requests were. I hope you will read the hearings of the Federal Trade Commission at the appropriate page in the bill and see how little one member, who represented the Federal Trade Commission, thinks of the Congress, and you will also observe his sources of information as to what goes. These seem to be the CIO news and the column written by Drew Pearson.

He claimed that the Committee on Appropriations had somehow gotten accountants from industry and had placed them in the Federal Trade Commission, and that this was a terrible thing to do and it was all being done in secrecy. Not only was it not being done in secrecy, but the source of the information was a publicity release by the chairman of the committee, the gentleman from New York [Mr. TABER]. We did not place anybody on the books of the Federal Trade Commission, nor had we any thought of doing it, not having the staff of a size to do it, and the only result of this is, in my mind, if the gentleman is so worried and so terribly sensitive over it, maybe we should send an investigator down to look over the books of the Federal Trade Commission. The General Services Administration is a top flight example of cooperation between an appropriations subcommittee and the agency whose justification is under discussion. Our men worked with the people in that Administration, and when they came back they agreed to a cut in the agency of 47.3 percent. We made an additional cut, which has to do with the cleaning of buildings. If any of you have been in the public buildings in Washington you know they are not well cleaned. We have simply said that we want, in the next 6 months, to have the head of the Public Buildings Administration see that they are cleaned thoroughly, and that we know from an examination by the chairman and others, and by consultation with professional heads of more than one contracting organization, that it can be done better for less money.

I now come to the Housing and Home Finance Agency. We have made some other suggestions which have already been discussed on the floor. Regarding

the housing starts, we have inserted a proviso that there shall be no housing starts in the coming fiscal year. Why do we do that? For the last 2 years we have come to the floor with a specific number of houses and, Mr. Chairman, the House has overruled the subcommittee each time. They have cut down the amount we have brought in. We have decided, Mr. Chairman, we would simply save the House this intervening step and bring in no housing starts for next year which, I think, more and more people in the United States realize is the right thing to do. We have not cut down the amount for slum clearance and urban development; we have not interfered with the work of the Federal Housing Agency, of which we approve and which we will support. We have cut out what is described by the gentlemen from Virginia, in essence, as socialized housing, which is expensive, uneconomical, and political.

The testimony before the committee indicates that public housing is expensive, that the average cost of a house is \$14,000, and that they can be built better, as a rule, by private builders for less money. It is uneconomical, it is highly political, and we have testimony that in many areas such housing adds to the problems of police protection, fire protection, and juvenile delinquency. We think, therefore, no matter what may be said in this technical argument which took place on either side of the aisle during the discussion of the rule, the fact remains that what we are doing this year is exactly what the committee did last year when the majority belonged to the other party. The committee has brought in a stipulation that there shall be no starts. We do that to prevent what was described as leapfrogging, where the agency goes out and contracts for or promises people housing on the assumption that they will then put pressure on the Congress to get the money and the authority for such housing sometime in the future.

If nothing were done next year there would be no housing; that is correct. The same thing occurred last year. If we had done nothing this year there would have been 35,000 starts in fiscal 1954. The same thing will happen a year from now. The Congress will come in and determine the number of housing units it wants started in the ensuing year.

Mr. YATES. Mr. Chairman, will the gentleman yield?

Mr. PHILLIPS. I yield to the gentleman from Illinois.

Mr. YATES. In Chicago, the Chicago Housing Authority has a contract with the Public Housing Agency. That contract was entered into approximately 2 years ago. It was a contract for payment of annual contributions. The Chicago Housing Authority has in many instances, however, not yet undertaken the design and construction of the houses that are the subject of that annual contribution project. Is it the intention of the language that such contracts shall be honored and that the units will be permitted to be constructed?

Mr. PHILLIPS. Let me ask the gentleman from Illinois a very frank question. Was this a signed contract that was entered into in good faith before the Congress tried to stop this leapfrogging? If so, there is no question the houses should be built and will be built. If, however, this is one of these leapfrogging contracts entered into in the last year, or when we had the stipulation against it in the bill saying, in effect, "You shall not make these promises or these presumed contracts in advance, until you have the authority and the money," then I do not think they should be continued.

Mr. YATES. I would agree with the gentleman that it should be a bona fide, valid contract entered into in the best of faith. It was my understanding that the contract was signed some 2 years ago and that the Chicago Housing Authority then undertook the purchase of the land necessary for the construction of the public housing units.

I do not think the gentleman has answered my question with respect to whether or not the language that has been inserted in the bill is intended to stop the construction under such a contract.

Mr. PHILLIPS. It is not so intended.

Mr. YATES. I thank the gentleman.

Mr. PHILLIPS. The gentleman can discuss the matter in his spare time with the gentleman from California [Mr. YORTY], who is sitting near him, about the Los Angeles situation.

Mr. SEELY-BROWN. Mr. Chairman, will the gentleman yield?

Mr. PHILLIPS. I yield to the gentleman from Connecticut.

Mr. SEELY-BROWN. I wonder if the evils to which the gentleman has referred, which have developed in this housing program, are evils which cannot be corrected by proper administration?

Mr. PHILLIPS. They can be corrected by local supervision. They can be corrected by the building of these houses under local supervision, with local or State money, and by private builders, and with such Federal help as might come from FHA.

Mr. JAVITS. Mr. Chairman, will the gentleman yield?

Mr. PHILLIPS. I yield to the gentleman from New York.

Mr. JAVITS. It is my understanding that this bill does not contain any money for any project regardless of the contract. If construction has not been started it kills it now. Does not that negate in terms of dollars what the gentleman feels about the fact that bona fide contracts should be honored?

Mr. PHILLIPS. It does not negate what I feel. Let us find out about it.

Mr. COTTON. Mr. Chairman, will the gentleman yield?

Mr. PHILLIPS. I yield.

Mr. COTTON. In order to straighten out this matter which very justly concerns our colleague, the gentleman from Illinois, and our colleague, the gentleman from New York—

Mr. SEELY-BROWN. And your colleague, the gentleman from Connecticut.

Mr. COTTON. Is it not a fact that if the present proposed units in anybody's city have had a contract entered into and the units have been authorized as being within the 35,000 units which under last year's law you were permitted to contract for ahead, that then there is no possible question but what they may be completed? Is that not a fact? May I ask my colleague?

Mr. PHILLIPS. May we have the gentleman from Illinois answer that question? Are they in the 35,000?

Mr. YATES. That is the question I want to ask the gentleman. I want to ask the author of that language what it means. In last year's language there was a specific limitation of 35,000 starts during fiscal year 1953. There is no such limitation in the language for this year; and if I understand the language correctly, in view of the statement of the gentleman previously, in the event that such contracts of the type previously described have been entered into by housing authorities all over the country prior to fiscal year 1953 and on which construction has not yet been undertaken, there is no limitation with respect to the number of such units that may be constructed during this fiscal year. Am I not correct in that?

Mr. PHILLIPS. My feeling is, and I think the gentleman from New Hampshire agrees with me, that the intent was to permit housing projects that had already been contracted for to be built.

Mr. YATES. That is right.

Mr. COTTON. That is right.

Mr. PHILLIPS. May I point out something to all of you who are engaged in this discussion, and that is, in spite of the efforts of the Public Housing Authority to get every housing project started this year that they could, they were not able to start 35,000 units.

Mr. YATES. Yes, the testimony shows they started some 34,925 units.

Mr. PHILLIPS. Thirty-two thousand and eighty-eight, if the gentleman wants the exact figure.

Mr. YATES. I agree with the gentleman, but I just wanted to correct the impression that the Members may have obtained from the gentleman's statement.

Mr. PHILLIPS. How many units are there in your project?

Mr. YATES. I do not know the exact number. None of those units were constructed or begun during the fiscal year 1953. Now, do we go back to what the language was before the last fiscal year?

Mr. PHILLIPS. I yield to the gentleman from New Hampshire [Mr. COTTON], who is on his feet.

Mr. COTTON. May I try to clarify this point? May I ask my distinguished chairman, the gentleman from California: Is not the criterion this, that in last year's bill the number of starts was limited? If the local authority has contracted with the Housing Authority, and if the Housing Authority, cognizant of the number of starts that this Congress had authorized, has or is willing to certify them as being within the 35,000 limitation, nothing that we do here on this bill or can do here on this floor can

deprive them of that right or abrogate those contracts?

Mr. YATES. That is my understanding.

Mr. COTTON. Certainly, and that is our intention.

Mr. JAVITS. Mr. Chairman, will the gentleman yield?

Mr. PHILLIPS. I yield to the gentleman from New York.

Mr. JAVITS. Do they have the money? Does this \$32 million include that money? I am informed it does not.

Mr. PHILLIPS. I cannot answer that without checking on the amount.

Mr. COTTON. We recognize the validity of the contract, and there should be an allocation of money. I do not pretend to be able to say there is enough. I cannot conceive that we in Congress would deprive them of the money for carrying out a justly recognized contract under this law.

Mr. PHILLIPS. My hesitation is only that I do not know what is included in the amount of money they set up before the committee. I would presume that was in it, and I will be glad to look into it.

Mr. SEELY-BROWN. Mr. Chairman, will the gentleman yield?

Mr. PHILLIPS. I yield to the gentleman from Connecticut.

Mr. SEELY-BROWN. Is it not true that a great many communities started the initial work for the development of these projects, and final clearance is being held up waiting for the new Administrator to take over?

Mr. PHILLIPS. I am not so sure of that.

The CHAIRMAN. The time of the gentleman from California has again expired.

Mr. PHILLIPS. Mr. Chairman, I yield myself 5 additional minutes.

If you want a frank statement, a great many communities bought a goldbrick. A great many communities were sold, by representatives of the Public Housing Administration, the idea that they could go to work on this program, sign a contract, or be prepared to sign a contract, before the Congress had actually authorized that number of starts, or had provided either the money or the authorization. I am not so sure that I feel any subsequent Congress is obligated to redeem that goldbrick for cash. But I do think that we will do everything we can, as obviously in the case of the gentleman from Illinois [Mr. YATES], to carry out those contracts.

To continue, the National Advisory Committee on Aeronautics: we that only slightly. I think only the amount of requested autos under the revised requests.

The National Science Foundation, we have cut but only because we wanted a steady, continuous growth. We want it to do more in the field of coordination of the research activities of the Government, which presently amount to \$2,300,000,000 in money spent.

Now I want to speak, in conclusion, about the FNMA, the recovery of a million dollars. The question has been raised regarding the wording in the bill which says we have stopped all of the purchases of FNMA mortgages. I said

yesterday in talking to another group that I thought the difficulty did not come from the intent of the subcommittee but only from the wording we put into the bill. We will clarify that by a committee amendment when we go into the amendment part of this discussion. We will say that that prohibition against purchasing applies until such time as the Administrator feels that purchases may again be made. The question of the interest or discount, if it arises in anybody's mind, I will discuss during the 5-minute debate.

The original request in the Truman budget was \$1,171,444,190. This bill makes a reduction of \$721,423,697. It makes a reduction of approximately a half billion dollars from the amount of money appropriated for these same agencies last year. By denying the housing starts it prevents the expenditure in 1 year only of \$795 million, but saves to pay against the national debt, over what would have been the life of this public housing program, something like \$6 billion. It recovers a billion dollars by the sale of FNMA mortgages, which should have been sold before, by the Housing and Home Authority Administrator, and it recovers \$271 million by the sale of bonds held by the local housing authorities, which should also have been sold before this.

There is no way we can come to this floor and pretend that we like economy. We are either for economy or we are not for economy. We cannot slap an agency on the wrist and say, "We would like you to be economical." The only way to produce economy is to deny the money, and wherever possible to conclude the functions of an agency.

I yield to the gentleman from New Hampshire [Mr. Cotton].

Mr. COTTON. In order to clarify the point that was under consideration by the gentlemen from Illinois, Connecticut, and New York, may I call their attention to page 16 of the report where the committee said with reference to the obligations of these units already started or contracted for that "the committee realizes that all contracts entered into for this purpose represent an obligation of the Government, and additional funds will be provided them at a later date if the need of them might be justified". This answers the question as to whether we have the funds and the intentions of the committee.

Mr. PHILLIPS. Mr. Chairman, before yielding to the gentleman from Nebraska, I have here clippings from two New Jersey newspapers of the same date, having to do with the local housing authority. The first article states that it is building itself a new permanent building to cost \$530,000 for an office building. The next article of the same date states that the housing authority is having difficulty in filling its low-rent houses.

Mr. Chairman, I reserve the balance of my time.

The CHAIRMAN. The gentleman from California has consumed 35 minutes.

Mr. THOMAS. Mr. Chairman, I yield such time as he may desire to the gentleman from New York [Mr. Multer].

Mr. MULTER. Mr. Chairman, I ask unanimous consent to extend my remarks at this point and to include extraneous matter, pursuant to leave granted me in the House this morning.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. MULTER. Mr. Chairman, I rise at this time to voice my opposition to two items in this bill, both of which are attempts to legislate by means of an appropriation bill.

PUBLIC HOUSING

Once again we find the Appropriations Committee attempting to vitiate legislation passed and repassed many times by the Congress.

Everything that has been previously said against these attempts to destroy the national public-housing program applies with equal force to this bill.

To those who are still opposing public housing by pretending it is Socialistic and Communistic, let me point out that in New York City and State, the program has destroyed one of the principle appeals of the Communists to our less-fortunate citizens.

The election returns in every district containing public-housing projects amply demonstrate that the voters living there have no use for Communists.

I commend to your attention the following telegram from the mayor of the city of New York:

Hon. ABRAHAM MULTER,
House of Representatives,
House Office Building,
Washington, D. C.:

The recommendation to completely halt the Federal public-housing program made by the Committee on Appropriations in reporting out the first independent offices appropriation bill of 1954 (H. R. 4633, Rept. No. 276), carries with it the gravest threat to the people of New York City. If this bill is enacted, it will deprive low-income families in this city of 24,000 low-rent apartments scheduled for construction over the next few years, fully 60 percent of the city's scheduled allocation under the Housing Act of 1949. It will cut the heart out of the city's efforts to clear slums and provide decent homes for families of low income at the very time that these efforts should be redoubled. According to the official 1950 census figures, 456,861 New York City families were without housing of their own or living under substandard conditions. The large immigration in the past few years has further increased overcrowding and other slum producing pressures. The New York City Housing Authority had an average of more than 200,000 active applications in its files in 1952, or more than 15 applications for each apartment that became available during the year from both new construction and vacancies. It is currently receiving applications at the rate of about 60,000 a year. The demand from veterans continues so great that except for families residing on housing sites virtually no non-veteran families, even those being evicted on to the streets, can be accepted for public housing. I ask you to fight for the continuation of an adequate Federal public-housing program, and to carry on the fight until it is won. If it is not won, thousands of decent, hard-working families in this city must continue to live in squalor and misery without hope of decent homes in which to raise their children.

VINCENT R. IMPELLITTERI,
Mayor, City of New York.

BUNDLES FOR BILLIONAIRES

In this bill which attempts to deprive our underprivileged of the opportunity to have a roof over their heads, we find a provision to make the rich richer at the expense of the taxpayer.

For many years, we have had a program by which the moneylenders of the country were guaranteed a profit for using Government funds for so-called free enterprise.

The lenders make mortgage loans, get fees and/or service charges therefor, and are guaranteed against loss.

When they have used up their own funds and many times even before, after having earned the easy money on the loan, they simply sell the mortgage to the Government at par plus accrued interest.

This bill would now direct that these mortgages—all guaranteed by the United States Government against loss—be sold at a discount.

What a bonanza for big business—pardon me—I mean for free enterprise.

That provision of this bill is no different than taking a new issue of Government bonds or for that matter, brand-new freshly minted currency and offering it at a discount; offering every dollar for 90 cents or such other sum as the Administrator considers reasonable and advisable.

Truly this is the giveaway Congress.

Are we to leave nothing for the taxpayer except the tax bill?

Mr. THOMAS. Mr. Chairman, I yield myself 8 minutes.

Mr. Chairman, on behalf of the minority I want to thank our distinguished chairman and the majority members for the courtesy and cooperation they have extended to the minority. I do not want to take too long and I shall not. I would just like to comment on 1 or 2 provisions in this bill. In the first place, I think the bill is just about as unanimous as it is humanly possible to get seven men to concur in. We do not all agree on every point, and sometimes we have had disagreements, but I think the committee, by and large, has done an excellent job.

It should be pointed out in the beginning that the big money in the independent offices bill is not in this bill; but will come, as I understand, some 2 or 3 weeks from now in the form of Veterans, Atomic Energy, Selective Service, and TVA; so, for round figures you might say there is about 17 cents on the dollar in this bill; the big money is yet to come.

With some 20 or 25 agencies represented here I think the savings have been outstanding. I do not think the committee wants to mislead anybody; it is not our intention to do that, but we have taken credit for most of the good-sized items in the bill with the exception of one, and that one is really overwhelming.

The Civil Service Commission asked for \$368 million for payment to the retirement fund. Your committee has recommended a complete denial of that fund, and the chairman has covered that aspect of it very completely. I do not agree with his reasoning, but as far as I am concerned I am not going to

attempt to restore the funds on the theory that the legislative committee will have a thorough look at it again, but I do not think we can come up with any additional facts that we do not already know. I am hoping that next year this thing will be completely and finally ironed out and that Congress will adopt a unanimous policy and stay with it. This much is true, that you cannot take from a fund without adding to it and make it remain solvent.

This fund has an outside total liability, using round figures, of \$10 billion. You have assets of \$5,100,000,000. You have a deficit as of today—think about this—of \$4,900,000,000 in the fund. Yet we are constantly taking from it, and not adding to it. This means that you are constantly shoving it deeper and deeper and deeper into insolvency. There is not an insurance company in the United States, I do not care which State it is doing business in, that would be permitted to operate 24 hours if its financial affairs were in the same shape that this civil service retirement fund is in today. So we take credit for a reduction of \$368 million, when in truth and in fact there was a budget estimate. We deferred this. So, after all, this is not a saving because we are going to have to pay it back. If we continue the course that we are pursuing today, Mr. Chairman, this Congress will be called upon not to appropriate on an annual basis \$350 million a year, but it could very easily go to \$1 billion a year because for the last 15 years there has been a constantly growing deficit. Suppose you finally cut it down to \$1,500,000,000 or \$1,800,000,000, lay off six or seven hundred thousand dollars, what does that mean? You are going to have to come up with that retirement money some time.

The other sizable reduction we took credit for, and we did this also in good faith, was in connection with \$188 million for the stockpiling of critical materials. Read the record. We questioned those people 10 or 12 times and asked them if it would cripple the program. Each time they said "No." We said, "If it is, we are going to supply the \$188 million." But they came back with the figures. They had \$450 million of uncommitted money that they were willing to use. So we take credit for a reduction of \$188 million.

So by and large and in truth and in fact, without puffing our stock too much, you have an actual saving in here of about 10 or 12½ percent, which was just about what it was last year and the year before. Those are pretty good figures, because these agencies have been chopped to the bone, and all of the fat has been taken out year after year. I must say in practically every instance the Budget came up with figures that were increases over what we actually appropriated last year. So the committee had to do a little slashing. So much for the savings with the exception of one item, the housing item, which we will go into under the 5-minute rule. I intend to have something to say then if I can get recognition. But if the committee

action is followed by the House, can you guess what the savings in connection with that particular item alone will be? The \$795 million that we claim here looks very, very small. That saving will be in the neighborhood of \$9,600,000,000.

That is a whole lot of money, is it not?

Mr. Chairman, I yield such time to the gentleman from Missouri [Mr. CANNON] as he may desire.

[Mr. CANNON addressed the Committee. His remarks will appear hereafter in the Appendix.]

Mr. PHILLIPS. Mr. Chairman, I yield 5 minutes to the gentleman from Nebraska [Mr. CURTIS].

Mr. CURTIS of Nebraska. Mr. Chairman, I have asked for this time in order that I might ask a question or two about this civil-service fund for the purposes of retirement. I would like to ask the chairman of the committee what happens to this money if it is appropriated. What is the next step? What do they do with it?

Mr. PHILLIPS. If the money is appropriated, it goes into the hands of the Treasurer of the United States. The Treasury issues a special series of bonds. The bonds still remain in the Treasury; presumably they are put in a vault down there. I presume they are credited to the account of the Civil Service Commission. There are 8 or 10 such trusts. The actual cash money is simply used to pay, in the past years, on the deficit of the United States. If there were no deficit of the United States, I presume the money would be used to reduce the national debt.

Mr. CURTIS of Nebraska. Who is the custodian of the fund, or who is the trustee?

Mr. PHILLIPS. The Treasurer of the United States. We are, therefore, the custodians of our own funds, something which would not be permitted in an industrial trust.

Mr. CURTIS of Nebraska. And as such he is an agent for the Government? So the Government is its own trustee?

Mr. PHILLIPS. The Government is its own trustee and requires the taxpayers to pay interest upon the bonds.

Mr. CURTIS of Nebraska. When a civil servant retires, is he paid in bonds or is he paid in dollars?

Mr. PHILLIPS. He is paid in dollars.

Mr. CURTIS of Nebraska. Where do they get those dollars at that time?

Mr. PHILLIPS. The gentleman from Nebraska has asked the \$64 question. We either have to carry the Government upon a pay-as-you-go basis, which I think we should do, and raise the money at that time, on the estimate for that year, to pay the amount needed for retirement payments, or we have to go out and raise the money to retire the bonds that were put in the Treasury. So it is just as long as it is wide.

Mr. CURTIS of Nebraska. In other words, the man retiring wants dollars?

Mr. PHILLIPS. The man retiring wants dollars. One way we have to raise dollars from the taxpayers for retirement payments and the other way we have to raise dollars from the tax-

payers to replace bonds, but in the latter case we require them to pay interest during the interim.

May I make one other statement, please, to correct something which was said in the previous debate? We are not spending out more money than we are taking in. We have been taking in more money for several years than we are spending out, and will do so this year and next year. After that we will know where we want to go in the whole picture.

Mr. CURTIS of Nebraska. When the retired man wants dollars and we agree to pay him dollars each month, how do you get the dollars at that time?

Mr. PHILLIPS. You get them from the same place that we get all our money from—the poor, patient taxpayer.

Mr. CURTIS of Nebraska. Then can you sell more bonds at that time?

Mr. PHILLIPS. You would have to sell more bonds then in order to replace the bonds that are presently in the Treasury credited to the Civil Service Commission.

Mr. CURTIS of Nebraska. You said this was different from the situation in industry or even in a local unit of government. In industry does a trustee invest in its own certificate of indebtedness?

Mr. PHILLIPS. In most cases I think he would go to jail if he did.

Mr. CURTIS of Nebraska. Some of these Government trust funds may run into several billion dollars. Some of the people who are promoting these programs are talking about trust funds of \$100 billion or \$160 billion. What would happen in our economy if those trustees invested in securities other than those of the Federal Government?

Mr. PHILLIPS. I do not think they would have the legal right to do so.

Mr. CURTIS of Nebraska. Suppose we gave it to them. What would happen?

Mr. PHILLIPS. Then they would be doing something which we do not want the Government to do, and that is to acquire a voting interest, an actual interest in private industry and thus, enter the Government into the operation and perhaps the control of private industry. While I answer that for the gentleman, may I say, to give you an idea of the extent of this problem, of this \$6,350,000,000 that will be paid on the national debt for interest this year, \$1,052,000,000 is interest on these hypothetical trusts which, in effect, is a deception imposed on the taxpayer.

Mr. CURTIS of Nebraska. One other question. Suppose a trust fund, for industry or a single individual or one outside of the Federal Government—

The CHAIRMAN. The time of the gentleman from Nebraska has expired.

Mr. PHILLIPS. Mr. Chairman, I yield the gentleman 5 additional minutes.

Mr. CURTIS of Nebraska. Is such trustee governed by State laws as to accounting, investment, a faithful performance bond, and the like?

Mr. PHILLIPS. He is governed by State laws. I am asking my attorney colleague if he is governed by a Federal law. No; only by the State law.

Mr. CURTIS of Nebraska. And there is no way that that control or regulation

can pertain to the Federal Government when it is trustee?

Mr. PHILLIPS. That is correct. There is none. Furthermore, an industrial trust fund is set up on the basis that that industry might go out of business and therefore will need all of that money for the payment of retirement for all of its employees. No such situation could exist in Government, and we should not tax the people to pay for such a situation.

Mr. CURTIS of Nebraska. With reference to the interest that the Federal Government would pay in a given year into this trust fund, what happens to that appropriation? How is it handled?

Mr. PHILLIPS. In industry it would be—

Mr. CURTIS of Nebraska. No. I mean in this Federal Government reserve fund.

Mr. PHILLIPS. In industry it would accumulate to the trust fund. I presume it would do so in this trust fund, but I cannot answer the gentleman's question.

Mr. CURTIS of Nebraska. But I mean what happens to the money? What are the steps that transpire?

Mr. PHILLIPS. The gentleman knows very well what happens to the money. It has been used in the past to pay Government's deficits. If it were not used for that purpose it would accumulate to the credit of the trust fund.

Mr. CURTIS of Nebraska. In other words, gold or silver or other money is not taken and put in that fund?

Mr. PHILLIPS. That is correct. It is not.

Mr. CURTIS of Nebraska. Now, if we take actual money and put it in the Government-held trust fund, in a matter of time is it possible that that trust fund would have all the money in currency, or a great portion of it?

Mr. PHILLIPS. That I cannot answer, but you have raised the question of the value of the dollar. The value of a dollar put into this trust fund 10 or 15 years ago would be different from the value of that dollar today. So I think we had just as well collect the dollar from the taxpayer at the time it is needed.

Mr. CURTIS of Nebraska. Does not the trustee, who is also the debtor on the bonds he holds, determine the value of the dollar?

Mr. PHILLIPS. In this case he does. It would not happen in industry. Industry would not be the trustee and determine the value of the money.

Mr. CURTIS of Nebraska. But the Federal Government determines the value of the money, whenever and how ever it is used?

Mr. PHILLIPS. That is correct. The Federal Government, by its actions and by its expenditures, determines the value of the dollar, and the best way to do something about that is to balance the budget.

Mr. CURTIS of Nebraska. What security does a person who is looking to such fund have that his retirement will be paid, beyond the faith and credit of the United States, that when the time comes the Government of the United

States will raise the dollars to pay his retirement.

Mr. PHILLIPS. He has no other assurance except that which he now has. He has it whether we put the money in this year or 2 years from now, or whenever it is needed, and that is the credit and the integrity of the United States and the taxing power of the United States.

Mr. CURTIS of Nebraska. In these specific trust funds are they required to go out on the open market and buy bonds, or are they permitted to buy a special issue direct from the Treasury?

Mr. PHILLIPS. They use a special issue direct from the Treasury. They do not buy securities in the open market. I do not think we would want them to do that for the reasons already stated.

Mr. CURTIS of Nebraska. I am referring to Government bonds on the open market; do they buy Government bonds on the open market? Or do they secure a special issue direct from the Treasury?

Mr. PHILLIPS. That is a very interesting question the gentleman from Nebraska has asked. The Treasury is supposed to use these special issue bonds of the Treasury, but 2 years ago I reported to this House the discovery that the Treasury was going into the market with these trust funds and buying a limited number of the small bonds supposed to go to the individual investors, the obvious intent being to peg the market for those small bonds. Shortly after I made that disclosure I received a rather lengthy letter from the Secretary of the Treasury explaining why it was being done but I observed very shortly after that that the custom ceased.

Mr. CURTIS of Nebraska. When the Federal Government proceeds to buy its own bonds and thus maintain a market, is the restraining power in the hands of the people to resist the increase of the national debt maintained?

Mr. PHILLIPS. No, just the opposite; when the Government buys its own bonds and puts them in this fund it is just the opposite of having a brake upon the increase of the national debt.

Mr. CURTIS of Nebraska. When the Federal Government issues a special issue of bonds direct to one of its own branches for those so-called reserve funds, is it or is it not conducive to deficit financing?

Mr. PHILLIPS. It is deficit financing. I thank the gentleman for those questions; he is asking them to bring out points which should be understood; and he himself is much more of an authority upon this subject than I.

Mr. CURTIS of Nebraska. I thank the gentleman for bringing this subject to the House. We have a similar problem in social security. I am certain that every Member of the House is anxious to do justice to the retired civil-service worker; I am convinced they are really anxious to do justice to the aged generally of our country. We have only one desire, that of being as mathematically accurate and businesslike as it is humanly possible to be.

Mr. PHILLIPS. Mr. Chairman, I yield 7 minutes to the gentleman from Michigan [Mr. CEDERBERG].

Mr. CEDERBERG. Mr. Chairman, as a freshman Member of this body it is not my intention to take too much time in regard to this bill. As far as the housing feature is concerned, however, I think I came from a rather unique experience, being on the other end of the legislation, the receiving end. There are a great number of Members of this House who have served for many years and who took part in writing this legislation in the first place but who never have had the experience of serving at the other end of it.

At the time I was mayor of my home town, the city of Bay City, Mich., we were subjected to some of the propaganda of the Federal Housing Administration in trying to force upon us some of this Federal low-rent housing, and I want to say now that one of the easiest ways to effect a great relief to some of the mayors and members of city councils for some of the cities throughout this Nation is to kill this Federal low-rent housing law right now, because it is nothing but a nuisance to them, and it subjects them to a great deal of undue pressure from the Federal agency and from several other sources. Many of them are unhappy about the present situation.

We in my own home town found this to be the case. As you will realize, there are many Federal defense housing projects throughout the United States. Many of these projects were due to die. Some of them are in the process of dying at the present time. However, some of these Federal Housing Administrators were in the predicament of possibly losing their jobs; therefore the natural thing for them to do is to find something that might perpetuate themselves in office. They went along and tried to sell some of this Federal low-rent housing to other various communities, taking various groups in and selling them certain propaganda, in the hope they might be the housing administrator for that particular Federal low-rent housing area. They did not assure them of the fact they would have the job, however being a former director of the defense housing they were certainly in a very favorable position to get it.

In the case of my own particular town—I happened to be mayor of the town at the time—the Federal authorities came in and told us: "You can have so many units. We have four-hundred-odd units allotted to your city. You should take them because if you do not take them someone else will."

Then they went to another town and told them: "You might as well take these units. It is not going to cost you anything and if you do not take them someone else will."

Then they went to other towns and said: "If you do not take them some other town will."

That started the ball rolling.

The matter came up of signing the preliminary contract, which is vitally important to the city. Once it is signed, you are there, and you have to go along with it because the survey is made after that to determine whether or not there

is a need. They will not make a survey unless these preliminary loan contracts are signed. I asked the attorney at that particular time, "Have you ever had a case where you made a survey and you did not find a need?" He said, "We have not had one yet in the United States."

So, wherever they sign the contract they are in business. The very night that our city council was meeting one of the gentlemen who happened to be from Detroit, sent a wire stating "If you will sign this tonight we will assure you of a certain number of units, we will put you ahead of certain other cities in Michigan." In other words, he was trying to pressure us into some of this Federal low-rent housing.

Now, this particular housing has nothing to do with slum clearance. It does not clear one slum in your city. Further than that it is discriminatory legislation because if you have 400 units, the incomes of the people within that project will have to vary. In other words, you cannot take all people who have extremely low incomes. You have to take some of the low-income people, some with a little higher, and some with higher incomes yet. So, if you have this in a city which does have a low-income group, you cannot take care of them. So who determines whether or not they are going to have this low-income housing? The local housing commission and the local housing administrators. In other words, they are under the thumb of these agencies, some of these bureaucrats, a number of which are controlled from Washington.

I think it is discriminatory legislation. It does not solve any of the low-rent problem at all, it does not clear slums, and it is about time we get rid of it.

There is something else I would like to tell you about. When this legislation came before the city council, it was passed and I vetoed it. What happened was this: I took the position that if the city council wants to pay for its own survey to determine whether we have a need in the city, we can finance it out of our own city fund. We did that. We spent \$1,500 or \$2,000. I do not know exactly the amount. We hired the same agency that did the work for the Federal Housing Administration. We hired the same agency from out of the city of Chicago. They came into my home town and the first thing they did was to go to the gentleman who was the director of the last census up there, who happened to be a very fine gentleman and an opponent of mine in the last election, a very outstanding man. They said to him, "Will you go and get those people who helped you take the census?" They did that. They came to my city and retook the census, asked the same identical questions that were asked in the last census.

I just wonder how many cases like that we have throughout the United States where the Federal Housing Agency has had some of these private concerns come into the various cities and retake the census, when we ought to have the information in our own Census

Bureau. In my opinion, we have been wasting a lot of money on this matter and this is a great opportunity for the Congress to get rid of Federal low-rent housing, or at least take another good look at it, which I would certainly recommend.

Mr. DIES. Mr. Chairman, I want to compliment the Committee on Appropriations for the sincere efforts it is making to curtail the expenditures of our Government. There is no other way to balance the budget and safely reduce taxation. I can sympathize with the laudable desires of the able and distinguished gentleman from New York [Mr. REED] to reduce taxes. I appreciate the urgent need for lower taxes in our country. I believe that taxation has reached the point of diminishing returns. More important, however, than tax relief is our paramount duty to balance the budget.

As Members of this great body, we have a sacred duty to balance our expenses with our income and avoid deficits except in periods of grave emergencies. As an individual, I am compelled to live within my income. If my expenses exceed my income, I am required to reduce my expenses. The same reasons apply with even greater force to the Government. I know that it is a difficult task to curtail public expenditures. Everyone is in favor of economy in general terms, provided we do not touch his pecuniary interests. In theory public economy is popular. In practice it is quite different. However disagreeable the job is, you and I are compelled by our sense of responsibility as conscientious and patriotic lawmakers to do our duty without fear or favor. The very safety of the Republic depends on the way in which we discharge this responsibility.

An unbalanced budget produces inflation with all of its disastrous consequences to the Nation. For a long time now we have pursued unsound fiscal policies. Even in times of prosperity, we have operated with a deficit. Franklin D. Roosevelt in his book, *Looking Forward*, said that most liberal movements go to pieces on the rocks of loose fiscal policies. History confirms the truth of this statement. Hunter in his book on revolution said that practically every revolution was caused by inflation. Inflation liquidates the middle class who form the backbone of a democracy. An embittered and bankrupt middle class furnishes leadership for revolutionary forces. The people who suffer the most as a result of inflation are not the rich or powerful. They are able to speculate in stocks and land and other forms of wealth which rise in value with inflation. It is the poor and the middle class who bear the brunt of inflation. For the most part, their savings are invested in pensions, annuities, insurance, and fixed income.

Some people seem to think that there is no limit to this Government's sources of income. They fail to recognize that our Government today is in serious financial plight. We owe in direct obligations nearly \$300 billion, which we

could not pay if we were required to do so. How much we owe in indirect obligations, no one seems to know. The plain truth is that we have pursued unsound fiscal policies for a long time. We have spent money like a drunken sailor. How much of that money has been wasted, no one knows. Clever speculators have made immense fortunes during the loose money period. For 7 years it was my privilege to examine anyone's income tax return I wanted to. Of course, I could not divulge any information that did not pertain to communism. I learned a great deal, however, from an inspection of some of these income tax returns. For one thing, I learned that some people who posed as champions of the poor, and great liberals, enriched themselves in devious ways. Some who came to Washington in 1932 as zealous reformers and crusaders are today immensely rich. The same thing has happened during every period of inflation in the history of the world. Fortunes are made by unscrupulous people who know how to profit from the misfortunes of their fellow man.

In 1935 when our Government launched the savings bonds, we were urged on patriotic grounds to invest our savings in bonds. We were told that these bonds would be the safest investment for old age that we could possibly make. In common with many other citizens, I began to buy all the bonds I could. I denied myself and my family to buy bonds. Today the value of those bonds in terms of purchasing power is less than 50 percent of what they were worth when I bought them. The smart boys put their money in stock or land, with the result that they made fabulous profits. The people who responded to the urgent appeals of our country have been seriously damaged by the dishonesty of our Government. You may call it what you will. I say that when the Government takes your dollar and gives you back 50 cents in purchasing power, it is dishonest. I do not believe that any country can prosper or survive unless its policies and practices are honest. No program, however liberal or progressive it may be, is justified by dishonest fiscal policies.

Mr. Chairman, I love this great body. I came here first with my father in 1908, and for the greater part of my life I have been closely associated with the Congress of the United States. I have a deep affection for the Members of Congress. I appreciate the opportunity to serve my State as its Congressman at Large. But there are some things that are vastly more important to me than my commission as Congressman. I would not want to serve here if I could not retain my self-respect and follow the dictates of my conscience. I do not have the same feeling about political parties that some partisans entertain. I regard a political party as a useful instrumentality, but there is nothing sacred about a party. Parties come and go, and it is conceivable that some day the two major political parties will cease to exist. I have always made it a rule of my political life to put my country above my party. I agree with Washington's profound observation that ex-

cessive party spirit is dangerous to a Republic. I have seen men who are fanatically loyal to their party. They seem to believe that such loyalty is a virtue. They fail to understand that oftentimes this blind loyalty is no more than an expression of selfishness and greed for power. They may love the party because through the party they rise to power and succeed or fail. What they regard as a virtue in blind partisanship may be a great vice. I believe that every measure should be considered on its merits. If it is good, it ought to be supported regardless of the party mandate. If it is bad, it ought to be opposed on the same basis.

Since this is my belief, I shall cooperate with President Eisenhower on every measure which I believe is in the public interest. Because I believe that a balanced budget is the most important issue before our country, I shall do what I can to reduce expenses. I am sure that there is no disposition on anyone's part to cripple necessary activities and useful agencies of this Government. I do not think that we should make any useful agency or activity bear the full brunt of the economy ax. We should use wisdom and good judgment in applying the cuts. But there is no way to balance the budget without cutting down on the outgo of many agencies. It is natural that the people who are affected by reductions will protest. Many of these protests are sincere. Some of them come from people who do not want to get off the gravy train. A man wrote me not long ago that he was in favor of economy in Government, but did not think that we ought to economize on his favorite project. I asked him to advise me where he thought we ought to economize. As for me, Mr. Chairman, I do not propose to be intimidated by any pressure group.

I recognize that communism is a grave menace. I began to sound the alarm against communism many years ago, and I am gratified to see that at long last the country is aroused to the menace of communism. But there are some evils in this country that are more dangerous to our freedom than communism. I am not afraid that the Communist Party will take over the United States. From the beginning of my investigation in 1938, I believed and stated that if we informed the people concerning the purposes and methods of Communists, we could depend upon patriotic and intelligent public opinion to defeat the aims of the Communists. As I said, there are some things in this country more menacing than communism. One of those things is deficit spending and dishonest fiscal policies. I am quite certain that if America is able to meet the Communist threat we must put our house in order. We must make our country strong economically and spiritually, as well as militarily. Another evil which threatens us is the trend toward the omnipotent state.

For many years, I have watched this tendency toward the all-powerful state. Some people call it liberalism; others name it progress. Many people seem to believe that the end justifies the means. They are perfectly willing to

concentrate vast powers in a central bureaucracy on the mistaken assumption that this will benefit the masses of the people. They forget the words of Woodrow Wilson that the history of liberalism and freedom is the history of decentralization of power. I am as afraid of public monopoly as I am of private monopoly. I recognize that the Federal Government must keep up with the growth of the country and the expanding needs of the people. I believe, however, that federalism has grown out of all proportion to the growth of the Nation. We are now engaging in every conceivable activity. The Federal Government has become bloated, unwieldy and cumbersome. I doubt if there is a Member of Congress who has any clear conception of the multiplicity of Federal activities. In the past decade we have squandered our savings and resources and piled up the crushing legacy of debt for our innocent offspring.

Mr. Chairman, this vicious trend toward totalitarianism must stop. My chief concern is not my reelection to Congress. Long ago I realized my own insignificance. I know that what happens to me will be of little importance, but what happens to this country is tremendously important to my children and the destiny of the human race. It is my fervent hope and belief that this Congress will measure up to the highest standards of statesmanship. I came back to Congress because I wanted to have a part in restoring this Government to the people. It must be simplified, decentralized and restored to the people. The first step in that direction is the restoration of sound financial policies. Our goal must be a balanced budget, more economical Government and more reasonable taxes. Each is a part of one problem. We cannot have one without the other. We cannot have our cake and eat it. People who clamor for lower taxes must be willing to accept lower public expenditures. This is a great challenge for all of us, and at the same time a glorious opportunity to render a lasting public service.

Mr. PHILLIPS. Mr. Chairman, I yield 5 minutes to the gentleman from California [Mr. McDONOUGH].

Mr. McDONOUGH. Mr. Chairman, I have asked for this time in order to ask the chairman of the committee some questions concerning the public housing section of the bill.

Before asking those questions I want to make a brief statement. In Los Angeles we have had a very difficult and contentious problem over public housing. I hope the provisions of this bill will eliminate some of those contentions. There has been an attempt on the part of the Public Housing Authority to sell us on public housing, against our will; and we have had an expression of our people, both by popular vote on a State issue and also by vote of the city council in opposition to public housing.

The bill provides, and I am asking the chairman to follow me on page 23, line 17—

That no housing shall be authorized by the Public Housing Administration, or, if under construction, continue to be constructed, in any community where the people

of that community, by their duly elected representatives, or by referendum, or by any other legal method, have indicated they do not want it.

Would that mean that if this bill is passed and that language is not changed, we can liquidate the obligations that are already assumed in Los Angeles, as far as public housing is concerned?

Mr. PHILLIPS. For the information of all concerned, as well as the gentleman from California [Mr. McDONOUGH] there will be a committee amendment offered tomorrow which will add to this section the fact that in any negotiations for the repayment of any money advanced under such community projects, the negotiations shall not cover money advanced after the time that the people express themselves by any legal method as opposed to the project.

In answer to the gentleman, we believe it means exactly what you said. The only reason I express any hesitation at all is because we have said it twice before. We have meant exactly what it said, and each time the Housing Authority ignored it. Last year the Housing Authority came before our subcommittee and said on the record that they would not advance any money to Los Angeles because the people had, by public vote, as well as vote by their city council, said they did not want further housing. Also, in that council resolution Los Angeles said it was willing to reimburse the Federal Government for what was the proper amount; that they would not do it on a guesswork basis, but on an accounting of the money. I will say to the gentleman that we came into the hearings this year and to our astonishment, unbelievable as it may sound, in face of the vote by the people and by the city council, and in face of the assurance on the record that no money would be spent in Los Angeles, we discovered \$8,000,000 had been advanced in the Los Angeles housing project.

If the gentleman will refer to page 1208, when both the gentleman from Texas [Mr. THOMAS] and I questioned the Authority, you will notice—and I quote from the gentleman from Texas:

I don't know where he got the power to authorize the expenditure of eight million unless his law adviser told him to do it.

Mr. McDONOUGH. That should be an item for the Committee on Government Operations to look into.

Mr. PHILLIPS. I understand that the Government Operations Committee is looking into it, that the Government Operations Committee has already sent members of its staff to Los Angeles and is looking very definitely into what I believe to be the illegal action of the Housing Authority in this instance.

Mr. McDONOUGH. I may say the proposal and recommendation of the committee to provide \$20 million for the continuation of slum clearance and urban redevelopment I think is a matter that will be appreciated by every Member of the House who has any doubts about the desire on the part of the committee to provide additional housing or housing for people who find inadequate quarters because of lack of development.

The slum-clearance program, especially that portion that requires safety and sanitation, would remove in most of the communities the problem of public housing, and that is a thing that we are devoted to in Los Angeles, and we are going to continue to fight to liquidate the Public Housing Authority out of the \$110 million obligation that the present administration has placed on the city of Los Angeles.

Mr. YATES. Mr. Chairman, will the gentleman yield?

Mr. McDONOUGH. I yield.

Mr. YATES. What will we do with respect to the people of Los Angeles who cannot afford to buy houses? What will you do with them? Have you found any solution for their problem?

Mr. PHILLIPS. If the gentleman will yield to me, the answer is that the people living in the slums are not able to take advantage of housing as put up by the Public Housing Administration.

Mr. McDONOUGH. The figures show that most of these people in Los Angeles are living in adequate quarters at low rents today.

Mr. ANDREWS. Mr. Chairman, I yield such time as he may desire to the gentleman from New York [Mr. FINE].

(Mr. FINE asked and was given permission to extend his remarks at this point in the RECORD.)

Mr. FINE. Mr. Chairman, under the provision titled "Public Housing Administration" the bill provides:

No part of this appropriation shall be available for payment to any public housing agency for expenditure in connection with any low-rent housing project.

In other words, except for minor exceptions, particularly referring to citizenship, all money for public housing is eliminated with the lame excuse in the report that the committee believes excellent results may be obtained from a survey authorized with a view to effecting economy and efficiency in the operation of the Public Housing Administration. The report further states that—

The committee is of the opinion that the continuation of this program (housing program) is not justified and is not in accord with the program for economy, and a balanced budget.

Mr. Chairman, we hear much of balancing the budget. I, for one, am for balancing the budget as early as possible, but are we to do it at the expense of human suffering, degradation and decent shelter? Certainly such was not the intent of Congress in passing the Housing Act of 1949, nor do I believe it is the intent of Congress today.

Mr. Chairman, a little less than a year ago—June 26, 1952—I brought to the attention of the House the deplorable conditions existing in a sector of my congressional district known as the Claremont section. I showed the substandard conditions under which the people of this area are compelled to live. I showed that in this area there is a preponderance of old-law tenements—that the buildings are not only old but contain many violations. A great many of the buildings have been condemned and that they are arranged to provide single rooms for housing for entire families.

The health area—No. 24—which includes this section has a heavy population density of 355 persons per acre. In addition, the area has the largest volume of delinquents in the entire borough in which it is located; as well as the highest percentage of accidents. These conditions have not yet been corrected. There has been no new housing in the area, nor have any improvements been made in the housing conditions. There is no place to relocate the families living under such sordid conditions. To the budget-conscious committee who seek to eliminate all appropriations for public housing, I ask, is not elimination of substandard living conditions and the erection of decent housing a modest price to pay for such valuable assets as the happiness and good health of our citizens? Decent housing is an investment in democracy, it is an asset which will stand our people and our Government in good stead. It can be measured in terms of elimination of bad citizenship, of disease, and in elimination of juvenile delinquency. The price of failure to continue building decent housing for low-income families is far too high. We cannot afford to cut off Federal aid to low-cost housing. The conditions cited in my own district, I am sure prevail in many other congressional districts, and I ask the Members of this House to join with me in opposing the elimination of all appropriations for public housing and to help appropriate a sufficient amount to at least alleviate the suffering of such constituents as are compelled to live under substandard housing conditions.

Mr. PHILLIPS. Mr. Chairman, I yield 2 minutes to the gentleman from Pennsylvania [Mr. SAYLOR].

Mr. SAYLOR. Mr. Chairman, I want to raise the question as to whether or not the committee has provided adequate funds for the acquisition of strategic and critical materials.

Mr. PHILLIPS. The committee thinks it has; at least it provided all the money that was requested. There is an unobligated balance in the fund of \$457,670,943.62, and the agency itself withdrew the request for additional money for next year which, had they felt they needed it, we would have given them. The committee has never denied money for this purpose, and I can assure the gentleman from Pennsylvania, if he has any concern, that I do not believe we ever would.

Mr. SAYLOR. The reason I asked the question is that in the hearings on this subject Mr. Walsh and Mr. Medley said that the amount which they asked is sufficient at the present time providing the Defense Production Act which expires on June 30, 1953, is continued by legislation beyond that date. If that agency is not continued there might be a shortage, and the entire stockpiling program would have to be completely reexamined. Then I understand that if the Defense Production Act is not continued and the stockpiling program is completely reexamined and there is not sufficient moneys in the present bill that the new agency can come back to your

committee and receive the funds required.

Mr. PHILLIPS. The committee, Mr. Chairman, has no crystal ball, but I think I can say seriously that it would be impossible to spend the unobligated balance before this Congress would again be in session and again able to appropriate money.

Mr. SAYLOR. I thank the gentleman from California.

Mr. PHILLIPS. Mr. Chairman, I yield 5 minutes to the gentleman from New York [Mr. JAVITS].

(Mr. JAVITS asked and was given permission to revise and extend his remarks.)

Mr. JAVITS. Mr. Chairman, there seems to be a rather large body of opinion which thinks that this public housing program should be now ended on an appropriation bill, that we had better be realistic about it and at least discuss the merits of the proposal instead of getting off on the peripheral issues.

In the first place, public housing is down to a very small compass in 35,000 units as against an originally contemplated 130,000, of which the minimum was to be 75,000. I see it so often that Members will rise on the floor and announce in a most solemn way a great figure of \$9 billion in 40 years as what this will cost, and this is what we save. Well, it might interest some gentlemen who have those ideas that it will cost something like \$2,000 billion in 40 years to sustain our defense program at the present rate. Perhaps what is more pertinent is this, and this is where the deep injustice lies as far as people who benefit from public housing are concerned: We are not just overlooking housing. We are doing a great deal about it. We are obligating the credit of the United States for vast sums for housing. For example, the Federal Housing Administration has already guaranteed 3 million loans; the aggregate guaranty is \$23 billion. You do not hear anybody casting any fears about that. But that is the credit of the United States which is pledged to the extent of \$23 billion. You do hear a great deal of soul searching and breast beating about the fact that we would be undertaking an obligation to public housing.

What is public housing all about? I am a slum child myself, so I am a good witness. I invite any Member who needs convincing on this subject to come into New York, Chicago, Detroit, Pittsburgh, San Francisco—any great city—to see on one side of the street the slum dwellings and on the other side of the street the golden blaze of these tall buildings which have sunlight, air, and greenery, called public housing.

I point out that these are established for the benefit of the lowest economic level in the population which works, all statements to the contrary notwithstanding. I have such projects in my own district, other Members have them in their districts. We know it is the lower economic level of people who work, especially veterans who have preference, who get into these public housing projects. We are building a million units of hous-

ing a year. We are asked to take people out of the slums and help them to the tune of 35,000 units a year if they are in the lowest economic level.

I think the proper questions are these: What is government all about? What are we doing here? What is this all about? Are we here in order to add dollars to those who already have dollars? Are we here to make life better and more agreeable for those for whom life is already agreeable? Or is there some human instinct in government that seeks to look after those who need the hand of government in order to give them some care and some rest? I think that is the fundamental conception of government I have.

I hope in the days ahead that we will get a direct vote on this issue. We have had them many times in the past. I hope we will get it again. I personally shall vote "aye" on a motion to recommit which will contain the public housing amendment that undoubtedly will be offered.

I think we have to decide in our own deep conscience what is our philosophy of government? Is our philosophy of government to be that its hand must be held out to the lower economic level of the population, to a level of the population that is being unjustly treated and can only be helped by the Government, or are we just to look aside, take care of the people who are being pretty well taken care of and forget about the rest? It is my rather deep conviction that the duty of government is to find the area in which justice may be applied, protect the possessions, the initiative, the work, and the ingenuity of those who are working or can afford to look after themselves, and to do something about those people who could not look after themselves, consistent with our resources and consistent with our own possessions.

I respectfully submit that 35,000 public housing units, involving, as it will, a constantly accelerating appropriation which runs into \$39, \$40, \$50, or \$60 million a year, or even \$100 million a year 5 or 6 years hence, based on the enormous and staggering sums that we are spending and the sacrifices which we are asking from our people in the form of taxes, is the minimum we can do as legislators and the minimum we can do as men.

Relating to my colloquy with the gentleman from California [Mr. PHILLIPS], I have inserted in the Appendix a list of projects containing about 66,000 units under annual contribution contract pursuant to the authorizations of the various appropriation bills. I shall offer an amendment to be sure that the provisions of the present bill do not exclude the performance of the admitted obligation to go through with these contracts. Members may examine this list to ascertain whether any of these projects are in their communities.

Mr. PHILLIPS. Mr. Chairman, I yield 5 minutes to the gentleman from Massachusetts [Mr. HESELTON].

Mr. HESELTON. Mr. Chairman, I have asked for this time in order to clarify for the legislative history and the record of my own understanding of the

committee action with reference to the provision in the bill for funds for the National Science Foundation. My own examination of the hearings, the committee report and the bill itself with reference to this appropriation leads me to understand that the committee emphasizes the fullest possible utilization of the transfer provisions contained in section 14 (H) of Public Law 507, 81st Congress, which created the Foundation. Am I correct in that?

Mr. PHILLIPS. Yes; if you cite that as the act which set up the Foundation, then you are correct. This appears on page 19 of the report, for the information of the members. We are very sympathetic with the intent of the Foundation. We see no reason why the money which you are referring to now should not be transferred to it for that purpose. All that we would like to emphasize in this report as in last year's report is that we want, so far as possible, a coordination of the work and not a duplication. It seems to me the gentleman's suggestion is toward coordination rather than duplication.

Mr. HESELTON. That is entirely right, and I certainly sympathize with the efforts of the committee to bring about that result.

The second question is, having that in mind, I assume the committee would also approve definitely of the greatest possible measure of cooperation on the part of the several other departments and agencies now concerned with research in providing these transfers to the National Science Foundation.

Mr. PHILLIPS. The gentleman asks me to speak for other agencies. I assume they would. My belief is exactly the same as the gentleman's. I certainly think they should, and I think the basis for that is in the fact that they have done so in the past. There is no authority being discussed by the gentleman which is not inherent in the act at the present time, nor in the intent of the subcommittee.

Mr. HESELTON. I appreciate those answers and the courtesy extended to me in getting this information for the RECORD. I also understand the difficulties under which the committee was working in not having before it at the time of the hearings the final and considered recommendation of the Bureau of the Budget. I think it might be useful in terms of the history of this particular appropriation bill to call the attention of the Members present now to a paragraph in a letter dated April 7, 1953, from Hon. Joseph M. Dodge, Director of the Bureau of the Budget, to Senator H. ALEXANDER SMITH, chairman of the Committee on Labor and Public Welfare in the Senate. This, I think, will be helpful in terms of future consideration and of ultimate action on this appropriation. The paragraph is as follows:

The revised 1954 budget request for the National Science Foundation is \$12,250,000.

This next sentence, I think, is extremely significant.

While this is a substantial increase in the appropriations to the Foundation, it was more than offset by decreases in the just-

able requests of other agencies for similar purposes.

That is right in line with the recommendation of the committee, as I understand it.

These steps were taken in furtherance of the policy of this administration to centralize in the National Science Foundation the Government's programs for support of basic research, which are now carried out by several agencies. It should be made clear, however, that other agencies will be allowed to support basic research which is directly related to the solution of problems for which these agencies have statutory responsibility.

It is my intention, in revising my remarks, to include the full letter as well as certain other data with reference to this very important program on the part of an agency of Government which can, in my opinion, given proper support by Congress, bring about a very satisfactory elimination of duplication and unproductive research.

I should now like to discuss the situation which faces the Foundation in terms of the amount included in this bill against the amount of the administration's recommendation.

The following table illustrates the effect of reductions on the revised 1954 budget of the National Science Foundation:

Activity	Administration's recommendation	Committee recommendation	Decrease
Research policy development and services.....	\$800,000	\$800,000	0
Research support.....	8,434,000	2,007,400	-\$6,426,600
Training of scientific manpower.....	1,966,000	1,966,000	0
Related operating costs.....	1,050,000	951,000	—99,000
Total.....	12,250,000	5,724,400	—6,525,600

The important characteristics of the reduction are its magnitude and the fact that more than 90 percent of it must be taken in the program for support of basic research. If this reduction in the administration's recommendation for the Foundation stands, it will unfortunately negate the expressed policy of the Eisenhower administration to centralize in the Foundation the Government's program for support of basic research—without increasing total Government expenditures for the support of research.

This policy, which is fundamentally one of economy, involves the gradual transfer to the Foundation of a major part of the Governmentwide basic research program now administered principally by six Federal agencies other than the Foundation. From studies conducted by the Foundation the total basic research program of all agencies for fiscal year 1953 is estimated to be \$140 million. Of this total about \$75 million is for the support of basic research in nonprofit institutions, principally universities. The \$2 million which would be available to the Foundation for the support of basic research under the House bill is only 2.7 percent of the \$75 million mentioned and only 15 percent more than available to the Foundation in fiscal year 1953. It is this latter type of

support in which the National Science Foundation participates, since the Foundation does not, and cannot, operate its own laboratories.

While there are good historical reasons which explain the diversity of administration of basic research within the Government, it has been clear for some time that neither economy nor efficiency will be served by continuing this situation unchanged over the future. The administration has therefore determined to move toward centralizing in the Foundation the support of general-purpose basic research by the Federal Government. Out of this centralization will flow the economies which arise from eliminating duplication of administration and technical supervision, from reducing the inflation due to competitive support of research, and from centralized planning and review in one agency with a clearer picture of the overall program. Financing a major portion of the Government's basic research program through the Foundation will also contribute to economy by enhancing the Foundation's ability to evaluate the research programs of the other agencies, as required by the National Science Foundation Act, since the Foundation will thus be in closer contact with science across its whole broad range.

Under the National Science Foundation Act as it now stands, the maximum that can be provided to the Foundation for basic research support is on the order of the \$8.4 million program recommended by the administration, allowing for the other statutory functions which the Foundation is directed to discharge. With respect to the \$75 million program of basic research in nonprofit institutions, even an \$8.4 million program is obviously a very limited step toward centralizing general-purpose basic research support in the Foundation.

Two coordinated measures have therefore been worked out by the present administration to bring about the planned centralization. The first is represented by the administration request for an appropriation of \$12.25 million for fiscal year 1954, of which \$8.4 million is for basic research support. This expansion of the Foundation's basic research program from its fiscal year 1953 level of \$1.7 million is being more than offset—the Foundation has been advised by Budget Director Dodge in a letter of April 7, 1953 to which I have referred—by decreases being made currently by the Bureau in the justifiable requests of other agencies for similar purposes. It is thus in effect a transfer to the Foundation of funds which would otherwise be requested for basic research in other agencies, and marks the first step toward the planned centralization. The second measure aimed at centralization is S. 977, a bill introduced by Senator H. ALEXANDER SMITH, of New Jersey, in the current session, to remove the existing \$15 million ceiling on appropriations to the Foundation. The administration has recently advised the Foundation that favorable action on S. 977 is in accordance with the program of the President. Its enactment would clear the way for further centralization of basic research

support functions in the Foundation. I understand a companion bill has been filed in the House and has been referred to the House Committee on Interstate and Foreign Commerce.

The reduction relates to the economy policy of the administration in the field of basic research support, since it will result at the least in delay of the centralization plan for another year.

In addition to economy, there are other matters at stake in the centralization program, and it has been planned with these in mind—it will provide a means for correcting the present imbalance between applied and basic research support by the Federal Government in the universities and it will facilitate wider distribution of the national basic research effort.

With respect to imbalance—a study recently completed by the Foundation of the support furnished by the Federal Government for research and development demonstrates that support for applied science at nonprofit institutions is approximately four times that for basic research. Since Federal research support is a major influence on the conduct of research in the universities, this ratio is a source of serious imbalance in the scientific effort of educational institutions which, in the long run, may gravely impair our ability to maintain leadership in science. Toward correcting this imbalance, as opportunities occur to reduce the applied research and development effort of the Federal Government, serious thought should be given to using a portion of the savings thus made for the support of basic research at universities. A program along these lines will be exceedingly difficult to execute if the bulk of general purpose basic research support continues to be administered principally through agencies whose research programs must reflect their practical interests rather than primarily the advancement of science and education in the sciences. This is not the case with the Foundation.

With respect to geographical distribution—current studies of unused research potential among the universities and colleges indicate capacity to perform from \$20 million to \$30 million more basic research per annum and a substantial amount of this capacity is in the institutions not now receiving appreciable support. The Foundation is in a better position to make a wide geographical distribution of research funds than are the agencies of the Government which are required to tailor research programs to their particular operating functions. This will minimize undue concentration of research support in the large, well-established centers of research and stimulate the development of new research centers. An agency which is principally interested in getting results from basic research in an area related closely to its operating program in the shortest time prudently turns to the institutions best equipped to serve it. This is necessary and desirable. On the other hand, the Foundation has both the authority and the incentive to encourage the growth of additional centers for research and training in the sciences.

It should be remembered that the Foundation must do what it can with regard to the critical shortage of highly trained scientific manpower. The output of college graduates in science and engineering in 1954 will be less than half—about 38 percent—of the output in 1950. By comparison, Soviet Russia has passed us already in its output of engineers, and in 1954 will graduate twice as many as this country. Therefore, the Foundation's graduate fellowship program must be maintained, and increased if possible. The basic research program of the Foundation is also of great assistance in the training of manpower, since graduate students are commonly used as assistants in research.

The existence of the widely representative National Science Board which is required by law to review and approve all basic research grants and contracts is insurance that these principles of proper balance between applied and basic research and wide geographic distribution of research funds will be important influences on the national basic research program. This influence will, however, be a limited one so long as less than 2 percent of Federal Government basic research support to nonprofit institutions is channeled through the Foundation, as is the case in fiscal year 1953.

Needless to say, centralization of general purpose basic research in the Foundation need not bring about an expansion of total expenditures for research. In this connection, the Congress has the assurance of the administration that the requested expansion of the Foundation basic research budget for fiscal year 1954 is being more than offset by concurrent reductions in the justifiable research support budgets of other agencies. Under the circumstances, failure to carry out the Presidents' recommendation would be a blow at the overall basic research program of the Government as well as actually no economy.

I believe it would be helpful to also include at this point a letter dated March 19, 1953, from Director Dodge, of the Bureau of the Budget, to Hon. Alan T. Waterman, Director of the National Science Foundation, which is printed in the hearings at page 427:

EXECUTIVE OFFICE OF THE PRESIDENT,
BUREAU OF THE BUDGET,
Washington, D. C., March 19, 1953.
Hon. ALAN T. WATERMAN,
Director, National Science Foundation,
Washington, D. C.

MY DEAR DR. WATERMAN: The report on your review of the 1954 budget estimates for your Agency has been received and carefully considered in relation to the administration's stated policies and budget objectives.

To meet these objectives, the following reduction in your appropriation will be necessary. You are expected to adjust your recommendations accordingly and present these revisions to the Appropriations Committees.

Reduction in appropriation for 1954

Appropriation title: Salaries and expenses, National Science Foundation:
Amount in 1954 budget..... \$15,000,000
Revised amount..... 12,250,000
Reduction 2,750,000

Within this revised amount, you are expected to provide for the same level of support of basic research as was contemplated in the 1954 budget. In addition, it is expected that the Foundation will initiate, at the earliest possible date, a comprehensive study of the Nation's present effort and needs in research and development, with particular emphasis upon the extent of the Federal Government's responsibilities during and after the current emergency. This study will be financed from funds already available to the Foundation, to be supplemented if necessary from the 1954 appropriation.

Detailed information as to the reduction set forth above will be communicated to your Agency through the Budget Bureau staff.

Sincerely yours,

JOS. M. DODGE,
Director.

National Science Foundation—Comparison of amount in the 1954 budget estimates with revised estimates

Activity title	Amount in 1954 budget	Revised amount	Reduction
Research policy development and services:			
Development of national science policy.....	\$500,000	\$500,000	0
Dissemination of scientific information.....	275,000	175,000	\$100,000
Maintenance of information on scientific personnel.....	150,000	125,000	25,000
Subtotal.....	925,000	800,000	125,000
Research support:			
Biological and medical sciences.....	4,217,000	4,217,000	0
Mathematical, physical, and engineering sciences.....	4,217,000	4,217,000	0
Subtotal.....	8,434,000	8,434,000	0
Training of scientific manpower:			
Graduate fellowships.....	4,340,000	1,866,000	2,474,000
Research education in the sciences.....	100,000	100,000	0
Subtotal.....	4,440,000	1,966,000	2,474,000
Operating costs ¹	1,201,000	1,050,000	151,000
Total.....	15,000,000	12,250,000	2,750,000

¹ In the budget for the U. S. Government for 1954, the operating costs of the Foundation are prorated to the 3 program activities.

Finally, I do want to include the full letter from Mr. Dodge to Senator SMITH to which I have previously referred.

EXECUTIVE OFFICE
OF THE PRESIDENT,
BUREAU OF THE BUDGET,
Washington, D. C., April 7, 1953.
Hon. H. ALEXANDER SMITH,
Chairman, Committee on Labor and Public Welfare,
United States Senate,
Washington, D. C.

MY DEAR MR. CHAIRMAN: Reference is made to your letter of February 19, 1953, requesting the views of the Bureau of the Budget on S. 977, a bill to amend the National Science Foundation Act of 1950.

As you know, the chief purpose of this bill is to amend the National Science Foundation Act of 1950, so as to remove the \$15 million limitation on the appropriations which are authorized for the purposes of that act. In addition, the bill would make a minor change in the operating procedure of the National Science Board.

It is my understanding that the limitation on the appropriations authorized was placed

into the act for the purpose of giving the Congress an opportunity to review the operations of the National Science Foundation once it has been established and under way for a period of 2 or 3 years. The Foundation is now a going concern. For the past 2 years it has been operating a program of support for basic research, a fellowship program for graduate students, and a program for the dissemination of scientific information.

The revised 1954 budget request for the National Science Foundation is \$12,250,000. While this is a substantial increase in the appropriations to the Foundation, it was more than offset by decreases in the justifiable requests of other agencies for similar purposes. These steps were taken in furtherance of the policy of this administration to centralize in the National Science Foundation the Government's programs for support of basic research, which are now carried by by several agencies. It should be made clear, however, that other agencies will be allowed to support basic research which is directly related to the solution of problems for which these agencies have statutory responsibility.

One step toward carrying out this policy is taken in the revised 1954 budget request for the Foundation, but it will not be possible to continue it in future years if the present appropriation limitation in the National Science Foundation Act remains in effect.

The removal of the limitation is not expected to result in an increase in total Government expenditures for the support of research. The National Science Foundation is now commencing a study which will result in recommendations as to the desirable goals and objectives of the Nation's research activities and the appropriate part for the Federal Government in this effort. When this study is completed, consideration will again be given to the proper level of Federal support of basic research. In the meantime, it will be desirable and economical to continue the gradual process of centralizing in the National Science Foundation, the general purpose basic research support programs of the Federal Government.

For this reason, enactment of S. 977 would be in accord with the program of the President.

Sincerely yours,
JOS. M. DODGE, Director.

May I repeat that I share completely the interest of the committee in the elimination of unprofitable duplication in connection with the program of scientific research undertaken by the Federal Government. As a matter of fact, I introduced the provision in the House measure which later became section 3 (a) (6) which reads as follows:

(6) To evaluate scientific research programs undertaken by agencies of the Federal Government, and to correlate the Foundation's scientific research programs with those undertaken by individuals and by public and private research groups.

Nevertheless, I realize that it is completely unrealistic for us to expect the Foundation to discharge those responsibilities in this field unless we equip it with the means of doing that. The testimony of the responsible officials of the Foundation before the committee points up particularly the complex and difficult nature of this assignment. This is especially true of the concise and important statement of Dr. Waterman, which I would like to incorporate by reference in my statement. With a Federal research and development budget running in the current fiscal year "in excess of

two thousand million dollars," as Dr. Waterman puts it, obviously no agency, charged with the responsibility of understanding and evaluating those programs, can be expected to make any noticeable progress unless it has the funds with which to attract competent scientists capable of doing this important work and whose recommendations will carry the weight necessary in order to bring about the desired results.

Mr. ANDREWS. Mr. Chairman, I yield 18 minutes to the gentleman from Illinois [Mr. YATES].

Mr. YATES. Mr. Chairman, a few weeks ago, in company with other Congressmen, I had lunch at the White House with the President. Seated next to me was the gentleman from New Jersey [Mr. HOWELL]. In the course of the luncheon conversation the gentleman from New Jersey commented to the President that he very much favored a bipartisan legislative policy, and he hoped that soon the Republicans would vote with the Democrats in supporting the President's measures. How appropriate that statement is to this bill. It will be interesting to see how the ranks divide tomorrow when we see how many Republicans support the President's position.

Particularly is this true with respect to public housing. The President and the administration have made their views clear before our committee. On page 1013 of the RECORD, former Congressman Cole, one of the vigorous opponents of public housing when he was in this body, and now head of the HHFA, appeared before our subcommittee and stated this:

Perhaps the largest and certainly the most controversial change in the revised budget is the reduction of the proposed new starts of low-rent public housing from 75,000 to 35,000. The decision to make this change was made by the Executive Office of the President with my concurrence. Thirty-five thousand units, as this committee well knows, is the program level most recently approved by the Congress. In my opinion, the fair and consistent thing to do is to continue the program at that level until we have completed our reviews and are prepared to make further recommendations to the Congress.

This is the administration view. How will the members of the majority party vote tomorrow when the amendment is offered to restore 35,000 units. Will they support the President?

Much has been stated on this floor today about the fact that the bill contains funds for slum clearance, and that slum clearance and public housing are not necessarily related. Mr. Chairman, nothing is further from the truth, certainly as to housing in large urban communities, where the people who live in slums have not sufficient incomes to buy themselves either houses in the suburbs or accommodations in the new apartment buildings.

It is stated that slum clearance will do the job in itself—that the people of low income can house themselves.

Where? In another slum? Let us look at a slum clearance program in the city of Chicago, the so-called New York Life project. The total net area that was cleared was 85.1 acres. Of this

amount 72.7 acres were allotted to the New York Life Insurance Co. to build approximately 2,000 units of rental housing. Seven and thirty-eight hundredths acres were allocated to the Chicago Park District for parks and boulevards, and 5 acres were allotted to churches and hospitals for their needs.

Ten million five hundred sixty-one thousand one hundred and seventy-seven dollars was used in the purchase of that property for slum clearance. The insurance company, which will receive 72.7 acres of the total amount of 85, paid \$1,884,141 for its land.

In the apartment buildings which will be constructed the rentals for 1-room apartments will be \$74; for 1-bedroom apartments, \$86; for 2-bedroom apartments, \$116. These are the minimum rentals which will be charged. Yet we see opponents of public housing take this floor and positively state that slum clearance will provide housing for all inhabitants of the slums. They say that all we need is slum clearance and that the residents of these slums will be able to find other housing accommodations. Obviously, many cannot move to the New York Life project. The rents are too high. What other accommodations can they find except in other slum areas?

Mr. Chairman, I favor the slum-clearance program. I cite this example to show that the low-cost public-housing program is still essential to go hand in hand with slum clearance in order to house the Americans who will be displaced. It is not so long ago when we in this House passed the Housing Act of 1949. The preamble to that act stated every American is entitled to decent housing in which to bring up his family. It said "every American," including those who are underprivileged, of low incomes. It includes those who make less than \$3,000 a year. In my community at least persons earning \$3,000 a year cannot afford to buy homes and cannot afford to pay for rental accommodations in the new apartments that have gone up. Obviously, Mr. Chairman, it is necessary that the public-housing program be continued at least in the modified and minimum amount that this Congress approved last year. Secondly, I should like to take some time to ask a question of the chairman of our committee, my good friend, the gentleman from California, for whom I have the highest respect and regard and whose activities on the committee I have followed with the highest admiration. On our subcommittee I have served under two able chairmen. I have the greatest respect for the gentleman from Texas [Mr. THOMAS] and for our chairman this year. The gentleman from California [Mr. PHILLIPS] has done a magnificent job in handling the difficult assignment of making sure the record contained all the facts that should justify the appropriations sought from the Congress. It was a pleasure to work with him. It happens that I just reached different conclusions than he did on some of the appropriations. May I refer the attention of my chairman to page 23 of the bill, the part which was read by the

gentleman from California [Mr. McDONOUGH], which states as follows:

That no housing shall be authorized by the Public Housing Administration, or, if under construction, continue to be constructed, in any community where the people of that community, by their duly elected representatives—

What does the term "community" mean there? What sort of governmental agency do you mean by that term?

Mr. PHILLIPS. I assure the gentleman I have the same regard for him as he has expressed for me and perhaps even a greater regard.

Mr. YATES. Thank you, Mr. Chairman.

Mr. PHILLIPS. The question not having been raised before—and if it is a legal question I am going to refer it to my attorney here, but if it is not a legal question then I would say if any community large enough to have a representative body such as a council or board of trustees or mayor or whatever group may represent the people in signing such a contract, thereby having the same right to undo such a contract. We have put this in, as the gentleman knows, in several previous bills.

Mr. YATES. Let me say to the gentleman that in Cook County, Ill., we have over 200 governmental units within the framework of the county itself.

Mr. PHILLIPS. Do they represent the majority of the people in the county?

Mr. YATES. They do for different purposes. The school district will represent the people for the school district. The sanitation district will represent the people for sanitation purposes. In the city of Los Angeles, and I am sure this language was directed at that city specifically, we know we have the Los Angeles Housing Authority as a separate governmental unit and the city of Los Angeles another governmental unit.

Mr. PHILLIPS. Let me ask the gentleman a very simple question. Which one of those authorities in Chicago or in Los Angeles could contract with the housing authority? It would have to be the city council, would it not?

Mr. YATES. That is correct. Then does this mean the city council?

Mr. PHILLIPS. Then it would have to be the city council. We have had that in previous bills.

Mr. YATES. Why did we not say "city, village, or unincorporated community" just as we do in most legislation?

Mr. PHILLIPS. Probably because your chairman is not a lawyer and does not put in all these words that lawyers always put in.

Mr. YATES. After all, Mr. Chairman, this is a law, and I was trying to obtain a legal interpretation of it.

Mr. PHILLIPS. Perhaps the lawyers would like to defend themselves against my opinion of legal language. Here is the gentleman from New Hampshire, Mr. COTTON.

Mr. YATES. If the gentlemen from New Hampshire [Mr. COTTON] is willing to accept it, then I am. I understand that the language refers to a city, village, or unincorporated community just as we have in most legislation?

Mr. PHILLIPS. We will even include parish and hamlet, if the gentleman wants them included.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. YATES. Mr. Chairman, I yield myself 5 additional minutes.

Mr. PHILLIPS. We are putting in a suggestion which grew from the question raised by the gentleman from Illinois, that the communities shall negotiate for repayment.

Mr. YATES. I refer the gentleman's attention to the next provision:

Provided further, That the record of expenditure of the Public Housing Administration and of the local housing authority on any public housing project shall be open to examination by the responsible authorities of any community in which such project is located, or by the local housing authority, or by any firm of public accountants retained by either of the foregoing.

Mr. PHILLIPS. Does the gentleman want to write more legal language into that? I would have no resistance to it, but on that subject I can speak with some knowledge.

Mr. YATES. I remember that the chairman in the hearing stated that the Public Housing Administration refused to throw open its books to a local community and show the exact amount.

Mr. PHILLIPS. That is correct.

Mr. YATES. I do not believe it is a good provision. The federal agency should not be compelled to throw open its books any more than the municipality should be. If one wants to undertake a lawsuit, one can obtain access to such books. The books could have been brought into court and thrown open to the scrutiny of the local community's representatives. Personally, I believe this provision gives too much authority to the local community in examining the books of an agency of the Federal Government. Only through a lawsuit should they be permitted to examine books of this type.

Mr. PHILLIPS. My opinion would be a little different. I feel that in protecting the people of a community, their responsible authorities should look into the books. If the Federal Government says a city owes \$13 million, and refuses to open its books, and that community is required to renegotiate for money already advanced, that is a very one-sided deal. I do not want to have a community go into court in order to get information to which they are entitled.

Mr. YATES. I assume most of our Federal agencies operate in good faith, and that they will not tell a lie deliberately to a governmental community.

Mr. Chairman, I have two other criticisms of the bill, one of which I mentioned during the discussion on the rule. That is what I termed "the banker's bonus provision," which require the Administrator of FNMA to dispose of at least \$1 billion of the mortgages now held by FNMA, at a discount, if necessary. There is no limitation whatsoever in the bill which would indicate to the Administrator what the Congress believes an appropriate discount should be. As I construe the language, he may allow any discount he wants to. It is

a little difficult for me to accept this provision. It does not make sense that we should direct FNMA to sell back to the same firms, at a discount, the mortgages which they sold to FNMA at par. I certainly think that provision should be deleted.

Finally, I believe the committee erred on the travel allowance granted to the Federal Power Commission. Chairman Buchanan appeared before our committee and stated that the Commission was hamstrung by a shortage in funds for travel. By the very nature of the activities which it is called upon by statute to perform, the Federal Power Commission has to go to the offices of the utilities which are under its jurisdiction to examine the books of the utilities in order to assure itself that the rates that are being charged are fair and reasonable.

Mr. McCORMACK. Mr. Chairman, will the gentleman yield?

Mr. YATES. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. I would like to ask the gentleman from California [Mr. PHILLIPS] a question. In this language, which of course is particularly aimed at meeting the Los Angeles situation, as I understand it, it is my understanding that the main question involved is not ability to terminate, but whether or not Los Angeles is going to pay the Government back what is owed the Government. Is there any intention on the part of the committee by this language, or any other language that may be proposed, to absolve Los Angeles from paying back to the Federal Government money that it owes the Federal Government?

Mr. PHILLIPS. Mr. Chairman, will the gentleman yield?

Mr. YATES. I yield so that the gentleman may reply.

Mr. PHILLIPS. If the gentleman from Massachusetts will take the time, which I do not want to take now, he will find in the hearings the resolution of the City Council of Los Angeles prior to their action; and which was confirmed by the vote of the people who voted two to one against housing, that they would repay, that they recognized the obligation and would repay. But one point of our stipulation in the bill was that we want to be sure that the city of Los Angeles does not have to pay more than it owes and that, therefore, there should be a clear understanding of what items are charged against it, and a negotiation of what should be paid back. There has been no indication apparent to me—in fact there have been many evidences to the contrary—that the city of Los Angeles did not desire to pay back what they should pay back.

Mr. McCORMACK. My question was not based on any assumption that the city would not pay back, but it is the intention of the committee that whatever is due the Government should be paid back by the city of Los Angeles? Is that correct?

Mr. PHILLIPS. I am speaking from information; I do not live in the city of Los Angeles, but the gentleman from Los

Angeles back of me says: "Certainly, that is correct."

Mr. YATES. It is the intention of the city to pay it back?

Mr. PHILLIPS. Correct. May I say that that was a severe cut for Federal Power Commission travel allowance, but there is a question as to how much they actually will use.

Mr. YATES. I can only say to the chairman that the only way the Commission can clear up the backlog of cases it has pending, the only way it can properly appraise and evaluate the charges that are being proposed by the utilities, is for Commission accountants and engineers to go out in the field and examine the books of the utilities. On page 156 of the hearings we find the testimony of Chairman Buchanan in which he said:

Mr. BUCHANAN. To show you the extent to which we have had to go, Mr. Chairman: We had a rule that the \$9 a day per diem be reduced to \$7.50 after the first 15 days—

Mr. PHILLIPS. That is your own rule?

Mr. BUCHANAN. That is our own rule. And then to \$5 at the end of 30 days, if he stayed in the field that long.

Now, we have gone further; we have eliminated the \$7.50 reduction, and have gone directly from the \$9 to \$5 per diem after 15 days. There has really been a struggle from the point of view of trying to get the work done.

The Federal Power Commission has a tremendous responsibility in connection with the fixing of rates of all natural gas pipelines. It is the agency of the Federal Government which makes sure that the pipelines which go from State to State, which extend from the panhandle of Texas up into the homes of New England and into the homes of the Middle and Far West, do not overcharge. The only way the Federal Power Commission can know that the utilities are not charging exorbitant amounts is by sending its investigators out into the field to examine the company's books. In the case of these pipeline companies, we have these so-called chain reactions, because different sections of the pipeline are owned by different pipeline companies; the pipeline companies operate from one State to the next so that an increase of rates given to one of the pipeline companies causes a chain reaction by all the other companies, increasing all their rates. Cutting travel to \$173,000 away below what was allowed for the fiscal year 1953 really is insufficient for a decent administration by the Federal Power Commission. It is inadequate to permit the Commission to carry on its legislative responsibilities. The rate payers of the country are going to suffer, unless the funds for travel are restored.

Mr. McCORMACK. Mr. Chairman, will the gentleman yield?

Mr. YATES. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. I am very much interested in the neatness of the language on page 39. It is very unique, it intrigues me, the language is very interesting. I am trying to visualize it in practical operation if it becomes law. I refer to the disposal of at least a bil-

lion dollars of these bonds. I did not notice that. It would be more than that.

Mr. YATES. The agency now holds something like \$2,300,000,000 worth of mortgages.

Mr. McCORMACK. At least a billion—it could be more—held by the association. Here is the language: “subject, if necessary, to discounts he may”——

Mr. YATES. He may consider reasonable, not what the Congress considers reasonable, but whatever he considers reasonable.

Mr. McCORMACK. “In the circumstances.” Now, what are the circumstances?

Mr. YATES. I do not know.

Mr. McCORMACK. Right off the reel by an act of Congress we are inviting anybody who is bidding for these to pay lower than what they are worth.

Mr. YATES. That is right.

Mr. McCORMACK. The Administrator can sell at a discount. So we are by law putting the Government at a financial disadvantage.

Mr. YATES. That is why I call this the bankers' bonus provision. What it amounts to is that the bankers and the large financial institutions will be the ones who will purchase these mortgages because under its rules FNMA does not sell to an individual. No individual can go to the Administrator and buy one of these mortgages. I want to point out further that these mortgages are guaranteed by the Federal Government. Investors cannot lose any money because the mortgages carry the full faith and credit of the United States of America.

Mr. PHILLIPS. Mr. Chairman, will the gentleman yield?

Mr. YATES. I yield to the gentleman from California.

Mr. PHILLIPS. The situation remains unchanged, I would like my friend to know.

Mr. McCORMACK. Remains unchanged?

Mr. PHILLIPS. The same authority presently rests in the Housing Authority but at the present time by their own decision they are not selling to individuals. We think they should sell to individuals and we agree with the gentleman from Illinois, but up to the present time by their own decision they have not sold to individuals.

Mr. McCORMACK. I am talking about this unique language “subject, if necessary, to discounts he may consider reasonable and advisable in the circumstances.” Can the gentleman explain for the record what that language means?

Mr. PHILLIPS. It is very simple.

Mr. McCORMACK. No; it is not simple. I cannot agree with that. I might be simple in my inability to understand. You are inviting a discount, are you not?

Mr. PHILLIPS. We are saying that they may discount, which authority they have now. The Housing Authority has adopted a policy, if I may call it that, that they do not want to discount these mortgages. As the gentleman well knows, the Treasury Department is considering an increase in interest rates and

has made such an increase on some bonds. I think without doubt the gentleman from Massachusetts and the gentleman from Illinois will agree there must necessarily follow an increase in the interest rate on these mortgages.

Mr. McCORMACK. We know that. The price of United States bonds in the market, or some of them, have gone to 92. Do you not think they ought to have their interest increased? Do you not think the Treasury should increase the rate to $3\frac{1}{4}$ percent from the present $2\frac{1}{2}$ percent?

Mr. PHILLIPS. That is purely a personal opinion.

Mr. McCORMACK. We would like your opinion.

Mr. PHILLIPS. I think they probably will have to, but that is not the point involved here. The point involved here is we have mortgages already issued and as we would like them to be sold and not hoarded, if I may use that word, we think in all probability it will be necessary some time in the future to increase them because at the present time FNMA has money on hand. They have made a profit in the past. So they will not have to discount their bonds immediately, but in order to dispose of them eventually, we think, and we think both of these gentlemen agree, that they will probably have to discount them. Perhaps we have not used very good language. We tried to put it simply.

Mr. McCORMACK. I thought it was interesting language.

Mr. PHILLIPS. We believe, having that authority already, it would be the opinion of the Congress that the Congress would not object to them discounting the bonds if they had to do it to sell them. We do not give them any authority they do not have now.

Mr. McCORMACK. What is the authority of the language “subject, if necessary, to discounts he may consider reasonable and advisable”?

Mr. YATES. Certainly, the language of the bill contains the suggestion to the Administrator that the intention of the Congress is that he shall sell the mortgages, \$1 billion worth, at a discount.

Mr. McCORMACK. It is clear to me that they have to dispose of at least a billion dollars worth of bonds. It is coming to the time when they will raise a bond issue for three and a quarter percent, and that three and a quarter percent means that the value of these mortgages become less because of the lower interest rate charged. Therefore, the three and a quarter percent does have an effect upon this requirement to sell at a discount.

Mr. YATES. That is correct. The purpose of this provision is to compensate for the lower interest rate and provide through the discount for, in effect, raising the interest rate on these bonds.

Mr. McCORMACK. Exactly.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. PHILLIPS. Mr. Chairman, I yield 10 minutes to the gentleman from New Hampshire [Mr. COTTON].

(Mr. COTTON asked and was given permission to revise and extend his remarks.)

Mr. COTTON. Mr. Chairman, in order to keep the record straight as to the purpose and the intent of your Subcommittee on Independent Offices, at this point, just after listening to the remarks of my very good friend the gentleman from Illinois [Mr. YATES], I would like to review very briefly some of the points which he has raised in regard to this bill which we have brought into the House.

In the first place, I want to comment very briefly on the matter of travel, a point which he raised in regard to the Federal Power Commission. Of course, as a matter of fact, a general overall reduction of the travel allowance for nearly all of the departments and agencies, if not all of them, covered in this bill, was acted upon by the committee. As a matter of fact, it is my recollection that the motion for that came from the minority side of the committee. That may or may not be so, and it is immaterial, because it was agreed upon by all of us.

Mr. YATES. Mr. Chairman, will the gentleman yield for a correction?

Mr. COTTON. I yield to the gentleman from Illinois.

Mr. YATES. The gentleman will recall that I reserved in the case of the Federal Power Commission.

Mr. COTTON. I do not recall it, but I certainly accept the gentleman's word for it.

As was pointed out in the beginning by the distinguished chairman of the subcommittee, in the general reductions we did not make overall reductions because we did not believe in this business of a 10-percent reduction or a 15-percent reduction. We felt that each agency should be dealt with specifically and we tried to follow through on that basis. This travel reduction, however, was in a sense an overall reduction. It affected the Federal Power Commission and many other agencies. I want to say that it has been our experience and I think the experience of most people who have worked on these budgets that most agencies use more travel than is necessary. Not only that, but when the year or the quarter is approaching its end we find that a great deal of travel takes place in order that whatever allowance they may have will be used up. Probably this is on the basis that if it is not used up it might be accepted as an admission they did not need as much, and result in future curtailment. They know our address up here; they know our telephone number; they know the way to the Bureau of the Budget, and if during the course of the year there are undue hardships, and necessary services affected because of a limitation of travel, it can be remedied quickly and easily by the committee and by the Congress. So, let not your heart be troubled about the fact that certain agencies may not have sufficient allowances to travel about the country as much as they assert is necessary.

I want to take the rest of my time to make a brief comment on this public-housing provision in the bill.

In the first place, may I make one point clear so that there may be no mis-

understanding. I do not want to be sailing under false colors. I was taken to task earlier in the day on my assertion that this is not a permanent repeal of public housing. Technically, I still insist, it is not a permanent repeal, because each of the last several years in the appropriation bills, we have imposed certain limitations on housing units. In order to prevent so-called leapfrogging, we have also specified that there should be no contracts in the future from the date of that bill in excess of the number allowed. Actually, of course, that is permanent legislation, if it is not changed by affirmative action later.

This year the difference is that no units are allowed under the bill we have reported. I do not want any misunderstanding. It was our intent, and, so far as I am concerned, it is my earnest desire, that we meet this issue four-square. I hope that by that language we are terminating public housing as such forever and through all eternity, because I believe it is the most monstrous, un-American, uneconomical, socialistic, and expensive legislation ever written by any Congress in all our history, and we have recently enacted many socialistic experiments. But the fact remains that in any subsequent year the Congress can work its will, because the fundamental law will still remain on the statute books, subject to this limitation.

Tomorrow when this issue is faced we will again hear this argument advanced that my good, astute, and adroit friend from Illinois advanced just a few moments ago, that we are not backing up our President, we on the Republican side, because we desire to meet this issue four-square, are in some way trying to undermine the Republican President of the United States.

I do not believe that practical people will buy that statement. In the first place, it has already been commented on that the Federal Housing Administrator, our good friend and former colleague, Mr. Cole, had come up obviously as a new appointee, having served only a few days, and gone through the motions of asking for 35,000 units. Frankly, I never saw a request made with fewer tears and less breastbeating than that request.

Mr. YATES. Mr. Chairman, will the gentleman yield?

Mr. COTTON. I yield to the gentleman from Illinois.

Mr. YATES. Was he not then obviously speaking on behalf of the President as much as he was of his own ideas?

Mr. COTTON. I am coming to that in just a moment. I have not been able to glean from any of the speeches or remarks of the President of the United States, although I did not sit near him at luncheon as my distinguished and good friend from Illinois did, one single word that shows that he values this socialistic experiment very highly. On the contrary, I have heard and read again and again his pronouncements when he championed free enterprise in this country, when he insisted that when we unshackle the forces that are building this country from their socialistic restrictions

and from the binding and restraining bands of governmental supervision and control, and that then and only then will we be able to give the people of this country a standard of living, the things they require, and the things that we on this side of the aisle are just as anxious they should have as my good friends on the other side of the aisle.

Mr. YATES. Then is the gentleman implying that the suggestion made by former Congressman Cole was his own idea rather than the President's, because certainly he made the request for 35,000 units?

Mr. COTTON. When former Congressman Cole or the President or anybody else in this administration comes up here they come technically on a basis where the Bureau of the Budget of a former administration which set up a budget which we are working on, and which only bit by bit, week by week, are we able to change and work our will upon. I am not going to be nailed to the mast by anybody in this House because we cannot in one single day obliterate every fallacy and extravagance that has descended to us, as the heir of the late unlamented Truman administration. This housing atrocity is one of the worst legacies we have received, and nobody is going to tell me that we are going to offend the man in the White House very deeply if we cut out this waste and extravagance.

So as the debate proceeds, you should take with a grain of salt and evaluate it as simply political talk when they repeat all these assertions that we are not following our President. Every time they can find something by hook or crook that they can tie up to President Eisenhower, then we are all supposed to fall in line. I have supported President Eisenhower from the very beginning of his candidacy and I will support him to the end of the road. I was fighting for him when these gentlemen who are solicitous about him were trying desperately to defeat him. But, I will vote my convictions in this body. I think the President would want me to do so, whatever may be his attitude on public housing. Now, allow me to refer to another statement by my good friend from Illinois—and it was an eloquent statement. He repeated the preamble to the Public Housing Act and repeated it in a hushed voice as reverently as if he were quoting the preamble to the Constitution of the United States. The preamble of that Housing Act, which was passed by the 81st Congress, proclaimed that every American had a right to reasonable low-priced housing. That is a good sounding sentiment. We wish they all had it. But I want to ask some of my good friends and colleagues here, who sat with us in the 81st Congress during the 2- or 3-day debate on this housing bill if they do not recall that the proponents of that measure admitted that they never expected in their fondest dreams, even though this thing went on for 40 years, that more than 10 percent, or perhaps at the very outside 20 percent, of those of this country who need low-priced housing could have it. I checked their statements. One member did say

that perhaps some day 20 percent of those who needed it could hope for it. Another agreed that they would be lucky if they ever gave it to 10 percent even if they built a million units over a period of 40 years.

Mr. Chairman, who selects the 1 man out of 10 or the 1 man out of 5—the 1 family out of 10 or the 1 family out of 5—who are going to be given by their Government low-priced housing with tax consideration while other men build their own homes and toil to pay the taxes on what that 1 family or 1 man enjoys at public expense? Who is going to pick them? You know who is going to pick them. The politicians are going to pick them. And the day will come that if they do not vote right they will have to move out. That is what I mean when I say it is un-American. And I say it is uneconomic. We on the Independent Offices Subcommittee have seen in the past few years that, where the carcass is, there will the vultures gather. You have no idea how much of this money goes to appraisers, lawyers, title searchers, planning consultants, and heaven knows how many other hangers-on. The actual cost per unit is nearer \$14,000 than it is \$10,000. That is why I say it is uneconomic. So we on your subcommittee decided to meet this issue foursquare. We have every sympathy for those who come from the metropolitan areas and have to give lip-service to this legislative and economic monstrosity. We have come in here year after year and said, "We will allow 50,000 or 10,000 or 5,000 units." We are tired of compromising. The time has come to thrash it out. Certainly 5,000 or 10,000 units will not give roofs to many Americans. If 5,000 is right, then we ought to go all the way and give it to all the people who need it, even if it takes two hundred and fifty or three hundred thousand units to do it. If it is wrong, 5,000 is just as wrong as 75,000.

In the 81st Congress public housing was passed by a scant majority. City after city and State after State has sought to escape from the toils of this extravagant experiment. There has been a great change in the personnel of Congress since that time. Perhaps the majority on this side of the aisle may be slender, as was stated awhile ago, but there has been a great change in the personnel of the Congress of the United States. There has been a great change in public sentiment throughout the country. The people have a right to have this thing reexamined. We on the committee are giving you that opportunity. We are not dodging the issue. We are giving you a chance to say, "Shall this project be continued, or shall we stop it in its tracks?" That is the issue.

The CHAIRMAN. The time of the gentleman from New Hampshire has again expired.

Mr. YATES. Mr. Chairman, I yield 10 minutes to the gentleman from Massachusetts [Mr. McCORMACK].

Mr. McCORMACK. Mr. Chairman, the gentleman from New Hampshire [Mr. Cotton] was very frank in his statement. He is opposed to low-cost

housing and, with the Republican Party, is determined to destroy it. So the people of the country now know that the Republican Party is dedicated to the destruction of low-cost housing. The responsibility rests upon the shoulders of the Republican Party.

There are some observations my friend made that are interesting indeed. He said that when our former colleague, Administrator Cole, appeared before the subcommittee, he came up and went "through the motions"—mark that language—went "through the motions" of asking for 35,000 units. I am wondering if the gentleman from New Hampshire [Mr. Corron] wants to convey to me and to others that our former colleague, Congressman Cole, was insincere when he appeared before the subcommittee, because the words "went through the motions" would indicate that outwardly he was doing one thing but inwardly he was advocating the opposite.

Mr. COTTON. Mr. Chairman, will the gentleman yield?

Mr. McCORMACK. I yield to the gentleman from New Hampshire.

Mr. COTTON. Most certainly I would not, and neither would any other colleague who ever sat with Mr. Cole, suggest insincerity. You must remember that I added in the same sentence he had been appointed Administrator only a few days before. He was coming up with a budget that had been handed to him. I tried to make that clear.

Mr. McCORMACK. But you did use the language "went through the motions." I accept the gentleman's construction of that language, that Mr. Cole, who is already under a serious cloud whether he would administer the law effectively because of his vigorous opposition to low-cost housing in the past, was not, when he appeared before the subcommittee, occupying an insincere and hypocritical position. Personally, I would not think that Mr. Cole would do that. As far as I am concerned, I could see where Mr. Cole honestly disagreed with the law that is now passed, but in his position as Administrator, carrying out the instructions of President Eisenhower, would advocate appropriations for the 35,000 units agreed upon.

The gentleman also says that he has not been able to find one single word that the President favors this socialistic program. That sort of puts President Eisenhower on the spot—and by one of his own party. It seems to me that this calls upon President Eisenhower to make a statement as to whether or not he is in favor of appropriations for 35,000 units, or for any other number of units, or whether he is in favor of the destruction of the low-cost housing program; because the only construction I can place upon the language of my friend from New Hampshire that he has not been able to find one single word that President Eisenhower favors this socialistic program is that President Eisenhower is opposed to it. I find no evidence to that effect. I am not going to make the statement that President Eisenhower is opposed to this program. The statement made by the gentleman from New

Hampshire, in my opinion, calls upon President Eisenhower to make his position known to the American people on this important progressive program.

We hear the word "socialism" bandied about. I can remember in 1935 when we had the Social Security Act before this body that Republican Members called it socialistic legislation. I can remember when we had the minimum-wage law before this body Republican Members termed it socialistic legislation. I can remember on the farm program that Members termed it socialistic legislation. Every piece of progressive legislation of the past 20 years has met the opposition that it constituted socialism. We have heard this cry before and we are hearing it now.

The responsibility for killing this program if it is killed—and I am confident that Republican Members in the other body will not permit it to be completely killed—but if it is, the responsibility will rest squarely upon the shoulders of the Republican Party. And in addition, by the speech made by the gentleman from New Hampshire, President Eisenhower is called upon to state his position; whether or not he will is another question; whether or not he will definitely state his position I have no way of knowing; but one thing is certain, when a responsible Member of this body of his own party, as the gentleman from New Hampshire [Mr. Corron] is, makes the statement that he just made, it puts President Eisenhower in the position where he should let his views be known to the American people on this question. It will be interesting to me to see whether today or tomorrow—and he will have to do it soon—whether President Eisenhower does it; for if he fails to do it, it justifies the statement made by the gentleman from New Hampshire [Mr. Corron]; on the other hand, if he favors a continuance of this program, as I see it particularly in view of the statement just made, it is imperative that President Eisenhower state his position to the American people.

Mr. COTTON. Mr. Chairman, I yield 8 minutes to the gentleman from Missouri [Mr. CURTIS].

Mr. CURTIS of Missouri. Mr. Chairman, I might suggest to the former majority leader that perhaps the reason that President Eisenhower's view are not expressed in detail is that he as an executive has to rely upon the people who are administering these programs for advice, and I believe he does not care to rely too much on the advice of the present holdover people in this particular housing administration. Every time we try to clean out some of these people responsible for policy we hear great cries of anguish from the other side of the aisle about how we are trying to move out able men. When the day comes that we can administer our own programs and get people in these positions upon whom we can rely, I believe the President will rely upon their advice.

I want to direct my attention now to the public housing program. In my opinion, it is highly proper that we should review all programs in the Appropriations Committee to see which

ones we can best cut down and those that we can cut out entirely simply on the theory that we are trying to balance the budget. Everyone here feels that ought to be our major effort.

There are a lot of programs we are going to have to temporarily stay until we can balance the budget and it is proper that public housing be considered in that category. Personally I am very much opposed to killing any program through an appropriation bill and if I thought the argument made on the other side that this temporary stay, as our side has described it, would result in actually killing it I would be opposed to it at this time.

Mr. YATES. Mr. Chairman, will the gentleman yield?

Mr. CURTIS of Missouri. I yield to the gentleman from Illinois.

Mr. YATES. Would not the gentleman consider the action of the Congress last year in cutting down the authorized number of units from 110,000 to 35,000 as a stay of the program? Why must we eliminate all of the units? Are not 35,000 a sufficient number to permit the program to go along and still not be the full amount authorized by the basic legislation?

Mr. CURTIS of Missouri. My answer to that is quite clear. The program actually is going ahead. Those that have already been started, and I presume there is money for them, will be continued. This is simply to hold the program from going any further until the new administration gets a chance to look at it, which I think is proper.

I do not rely on the people in the Public Housing Administration to give me straight advice. I know the situation in St. Louis, Mo., where a political party worker was fired from his housing job for political activity, then was immediately promoted to be a member of the board in St. Louis. I listened with a great deal of interest to the \$8,000,000 program that the Public Housing authorities went ahead with, allegedly illegally in Los Angeles. I listened to the former mayor of Bay City, Mich. Now one of our colleagues gives his opinion about these officials as they operated in the State of Michigan. So I do not rely on these people. I do not rely on some of these people in other agencies of this Government. Until we get people upon whom we can rely and whom we can believe, I think we might pause on many of these Federal programs. That is the issue involved here, now. There is one thing I am certain of and that is the people last November were voting on one basis, if no other basis, and that was they wanted us to clean out the waste, graft, corruption, and illegality of the past administration, and there is plenty of it in the particular program we are discussing at this time.

Mr. Chairman, I should like to make one further statement. I believe we can meet the needs of our people for housing through private enterprise. That is my answer to this whole thing. I have faith in our private-enterprise system and if we would work along that line we can meet the needs. I may be wrong, but that is what I believe and I

hope the Banking and Currency Committee will go into this matter next year after the new administration and the new administrators of this program, our own people with their own views, come and testify as to what their ideas are with reference to how we can meet this very serious housing problem of our people.

I may say that in St. Louis if I could have received a little bit of help from the other side of the aisle something might have been accomplished to help the housing situation by going into union racketeering down there. There is a Federal grand-jury investigation going on right now in St. Louis into labor racketeering in certain of the building trades unions involved in the housing situation. All this involves housing costs. We might also solve the question as to why a Negro cannot get a job as a bricklayer or carpenter or in any of the building trades unions in St. Louis.

Further, I might suggest that we should enforce our local building codes so that we could do something about the housing that actually exists. I wonder who has been in charge of the administration of many of these big municipalities with the most acute problems that we have been talking about? There are more ways than one to skin a cat, and keeping up and rehabilitating older buildings is one way to assist in having adequate housing. I am just as deeply concerned as anyone in this House about the housing conditions of our people, and I will do everything I can do to better them. Just because I do not go along with this proposed method does not mean that I am not interested in solving the problems. I am interested. I am deeply interested.

Finally I would like to make this suggestion. One thing we ought to do in all these programs, housing, medical, and other welfare programs, is separate the problem of indigence from the other aspects. I do not think you can divide indigence into specific needs, because all of the needs, food, shelter, and clothing, yes, and the spiritual needs, love and respect and dignity, are all part and parcel of indigence when it exists. I think we should be approaching the problem from the standpoint of indigence because in many communities there might be ample housing facilities, but the problem is, Can the people afford it? Again, there might be ample medical facilities, and the problem is that the people cannot afford it, just as in some instances the people cannot afford food and clothing. I say it is a problem of indigence that is facing us in many of these programs that we are concerned with, and we should distinguish between indigence and housing and meet it on its own bottom. And above all we must recognize the proper spheres of private enterprise, local government, and the Federal Government, in solving these problems.

Mr. Chairman, I am going to vote in favor of the committee's report on one basis, that this is a temporary stay to give the Eisenhower administration, when we get our own people in there, an opportunity to look at this housing program, and I hope the Committee on

Banking and Currency next year will consider it and then decide how to go ahead or not to go ahead. But, in my opinion, that is the only proper place to kill legislation.

Mr. YATES. Mr. Chairman, will the gentleman yield?

Mr. CURTIS of Missouri. I yield to the gentleman from Illinois.

Mr. YATES. Does the gentleman consider Mr. Cole one of his own people?

Mr. CURTIS of Missouri. Yes. He has been in there a short time, and incidentally, I am glad you brought that up. The reason Mr. Cole testified as he did—he naturally is the head of the organization which is the Public Housing organization—he testified as the people in his office spread the matter before him, and that is the reason he was acting, I would say, in his titular capacity. After Mr. Cole gets an opportunity to dig into this program and get rid of some of these advisers, he will be able to come up with his own ideas and his own program.

Mr. YATES. Mr. Chairman, I yield 8 minutes to the gentleman from Missouri [Mr. BOLLING].

Mr. BOLLING. Mr. Chairman, we are witnessing here this afternoon a rather remarkable series of new philosophical propositions. We are told that a man who served in this House with distinction for many years, was one of the hardest working and most energetic Members of the Committee on Banking and Currency, the legislative committee which has jurisdiction over the whole question that has been so much discussed this afternoon, is simply, because he was defeated in the last election and appointed to a position as Administrator of the Housing and Home Finance Agency, deprived of his capacity to make a decision, completely dependent on his subordinates, and in effect, apparently, a puppet of his subordinates. We also heard here today those who in the past spoke so confidently of knowing every detail of every program that was proposed and put through in the last 20 years by a Democratic administration pleading their inability to act, because 3 months in power is not enough to learn the meaning of the facts. I wonder how long we are expected to wait for those who knew in so much detail in the recent campaign those things that were wrong in every agency of Government to discover what are the real facts when they are confronted with the dilemma of responsibility, of doing a responsible job in behalf of all the people of the country.

Mr. CURTIS of Missouri. Mr. Chairman, will the gentleman yield?

Mr. BOLLING. I yield.

Mr. CURTIS of Missouri. Would the gentleman try to assist his party in permitting us to get these policy positions in these various agencies so that we can implement our views?

Mr. BOLLING. It seems to me there is absolutely no real difficulty confronting the present administration in that respect. If the gentleman will take the trouble to examine the procedure and rules of the Civil Service, he will find that it is very simple and easy to re-

move from the protection of Civil Service any truly policy-making position.

I think the gentleman has raised a point that is fundamental. I had not intended to speak on that particular subject at this time, but what we are witnessing these days is not an attempt to clean up the policy positions but a very misguided attempt to clean out all the positions regardless of whether they are policy or not.

I believe the American people had a rare opportunity to understand the real purposes motivating certain department heads in a recent situation we observed, I trust with considerable disgust, when the head of the Bureau of Standards was removed not because he occupied a policy position but because he took a position based on scientific facts. It is interesting to note that the public, when once aware of this matter, was so concerned that the cabinet officer in question reversed his decision very quickly. We hope that the other heads of departments have learned their lesson from this nasty business.

Certainly the people of the United States voted the present President into office with a very substantial majority. They were led to believe that the President and his team were thoroughly familiar with the problems of Government, were thoroughly prepared with a program of their own, knew what they wanted to do, and were prepared to do it. Further, if we remember the campaign and the newspapers in December and in January, we will remember that the team was already to go even before the inauguration. I think it is unkind of those who worked so hard in behalf of the new team during the campaign to indicate now that they may need another year or two to find out what are the facts of this situation and many others.

Mr. YATES. If the gentleman will yield, as a matter of fact, for the first time in years we are coming to the floor with an appropriation bill without knowing what the attitude of the Bureau of the Budget is.

Mr. BOLLING. I thank the gentleman for his contribution.

Mr. PHILLIPS. Where did the gentleman get an idea like that?

Mr. YATES. What is the attitude of the new Budget Director with respect to these cuts? I have not seen anything from the new Budget Director which stated what his views on the new budget were.

Mr. PHILLIPS. If the gentleman will refer to the hearings which accompany the bill, he will find the letters from the various agencies concerned.

Mr. BOLLING. I would also like to give the gentlemen of the House a preview. Twice in this week we are going to have the opportunity of seeing the administration propose, and the Republican majority of the House dispose in precisely contrary fashion. I understand we will probably be taking up the question of rent control as soon as we dispose of this measure. I, as a member of the Committee on Banking and Currency had, I think, a relatively rare opportunity to watch the spokesman for

the administration, Mr. Flemming, come come up one day with a proposition, and the next day watch all the members of the majority side of the committee vote for a proposition which did not conform with the recommendation of the administration. I submit there is some confusion. It seems to me that in a desire to have orderly government for all the people of the United States, the Democrats should urgently request the Republicans in Congress and the various Republicans in the administration to consult a little before they come out with policy statements. It is getting extremely discouraging not being able to identify a Republican position. Each day that 1 individual comes out with 1 position we now can be confident that either of 2 or perhaps both of 2 things will happen: Another administrator of equal rank will oppose the position just taken, or the Republican leadership in Congress or a majority of the Republicans in Congress will oppose that position.

Mr. PRICE. Mr. Chairman, will the gentleman yield?

Mr. BOLLING. I yield.

Mr. PRICE. I am certain that the gentleman will recall that one of the Republican campaign slogans of 1948 was "avoid confusion." Since they have been in control both the executive branch and the legislative branch have been so confused that they could not even get the Cherry Blossom Festival and the baseball game off on schedule.

Mr. BOLLING. I thank my friend but while I hold the Republicans responsible for many things I do not hold them responsible for acts of God.

Mr. CURTIS of Missouri. Mr. Chairman, will the gentleman yield?

Mr. BOLLING. I yield.

Mr. CURTIS of Missouri. Does the gentleman remember that the Democratic slogan for 1948 was "Preserve the peace?"

The CHAIRMAN. The time of the gentleman has expired.

Mr. PHILLIPS. Mr. Chairman, I yield 3 minutes to the gentleman from North Carolina [Mr. JONAS].

Mr. JONAS of North Carolina. Mr. Chairman and gentlemen of the committee, I do not intend to impose upon your good nature at the close of a rather extended debate on this subject. But as a member of the subcommittee which has had this measure under consideration for the past 90 days and has devoted a great deal of time and consideration to it, I do wish to express my own views regarding this controversial feature of the bill, namely, the public housing feature.

At the outset let me state that so far as I am concerned I did not take my seat in this House to be a rubber stamp for any administration. I will follow the President of the United States whenever I believe he is correct in his position but I am going to vote my own convictions on any subject. Just because the White House should send some measure up here with its approval does not necessarily mean that I am called upon to support it.

Mr. PHILLIPS. Mr. Chairman, will the gentleman yield?

Mr. JONAS of North Carolina. I yield.

Mr. PHILLIPS. The gentleman's statement makes me think he has read the Constitution of the United States which imposes the obligation of taxation and appropriation upon the Congress of the United States.

Mr. JONAS of North Carolina. That is correct. I thank my chairman.

Mr. YATES. Mr. Chairman, will the gentleman yield?

Mr. JONAS of North Carolina. I yield.

Mr. YATES. Under the laws of the United States, however, it is a requirement that the Director of the Bureau of the Budget send a budget up to the Congress for its consideration.

Mr. JONAS of North Carolina. We had the revised estimates from the various departments before the committee. A great deal has been said in this debate about the failure on the part of the Bureau of the Budget to submit a new and completely revised budget. But as our committee chairman indicated a little while ago the gentleman from Illinois, the records of the hearings before the subcommittee will indicate clearly that the actions we took were after full consideration of the revised estimates made by the agencies at the suggestion of the Director of the Bureau of the Budget.

I would like to say with respect to the public housing provision that all those in this body who are opposed to public housing will of course vote for this bill but there are those in this House who will vote for this bill who are not opposed to public housing. I do not think it is necessarily required that a man be opposed to public housing in order to support this appropriation bill. Why do I say that? I say that for this reason, The basic law under which we operate was enacted in 1948.

We were operating under completely different economic and world conditions in 1948. I think I would not be subject to criticism for this slight reference to past history, but at that time the administration was concerned more about deflation than it was about inflation.

The CHAIRMAN. The time of the gentleman from North Carolina [Mr. JONAS] has expired.

Mr. PHILLIPS. Mr. Chairman, I yield the gentleman 2 additional minutes.

Mr. JONAS of North Carolina. The administration was not only concerned about an economic recession that might occur in this country, but we were at peace, and it was under such circumstances that this program was enacted—an amendment to the original act of 1937.

Mr. HALLECK. Mr. Chairman, will the gentleman yield?

Mr. JONAS of North Carolina. I yield to the majority leader.

Mr. HALLECK. I think it was 1949, in the Eighty-first Democratic Congress when the basic act was enacted. I might say that a motion to recommit, to strike out the public housing section of the bill, lost by only five votes.

Mr. JONAS of North Carolina. I thank the gentleman.

The basic law, of course, was enacted in 1937. The act of 1949, to which the majority leader refers, was an amendment to the original act, which increased the program to a million units. But my point is this, that the situation has changed greatly since 1949. At that time we were in a period of peace. Today we are engaged in one of the bloodiest wars our country has ever engaged in, and we have been engaged in that conflict since the summer of 1950.

I am glad the distinguished minority leader discussed conditions back in 1933. I recall a bit of history in the thirties that I would like to advert to briefly.

I recall a campaign speech made by Mr. Roosevelt when he was running for President in 1932, when he said this:

Any government, like any family, can, for a year or two, spend more than it takes in, but you and I know that a continuance of that habit means bankruptcy.

If that statement was true in 1932, how much more true is it today? At that time the public debt was only \$21 billion. Today it is \$263 billion. For 20 years we have been spending more than we have been taking in. A continuance of that habit means bankruptcy.

I am in favor of passing this appropriation bill, because until we know how much we will be required to spend in the next few years for national defense, until we know whether we are going to bring this war to a successful conclusion, we must choose between many programs that many of us would support in normal times and the solvency of the American Government. It is as simple as that.

Mr. YATES. Mr. Chairman, I have no further requests for time on this side.

Mr. PHILLIPS. Mr. Chairman, I have no further requests for time.

The CHAIRMAN. All time having expired, the Clerk will read.

The Clerk read down to and including line 2 on page 2.

Mr. PHILLIPS. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. BETTS, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H. R. 4663) making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1954, and for other purposes, directed him to report it had come to no resolution thereon.

HOUR OF MEETING TOMORROW

Mr. HALLECK. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet at 10 o'clock tomorrow.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

COMMITTEE ON INTERSTATE AND FOREIGN AND COMMERCE

Mr. WOLVERTON. Mr. Speaker, I ask unanimous consent that the Committee on Interstate and Foreign Commerce may have permission to sit this afternoon during general debate.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

THE PRESIDENT'S FOREIGN POLICY

The SPEAKER. Under the previous order of the House, the gentleman from Illinois [Mr. PRICE] is recognized for 10 minutes.

Mr. PRICE. Mr. Speaker, the foreign policy speech of the President made last Thursday was one every American commends. In voicing this Nation's deep and fervent longing for true and total peace, the President spoke for the conscience of all America.

When he reaffirmed our unshakable resolve to build every last weapon which our self-defense requires, the President spoke for all of us. And he was also the spokesman of all Americans when he made plain that we harbor no aggressive designs against any nation—that our supreme goal in the world is peace—peace without appeasement, peace with justice.

The only kind of war which America wants is a war against the immemorial enemies of all mankind—hunger, human wretchedness, poverty, and disease.

The President's speech outlined the strategy of such a war. He stated that if effective and enforceable worldwide disarmament could be achieved, our Government would be "ready to ask its people to join with all nations in devoting a substantial percentage of any savings achieved by disarmament to a fund for world aid and reconstruction. The purposes of this great work would be to help other peoples to develop the undeveloped areas of the world, to stimulate profitable and fair world trade, to assist all peoples to know the blessings of productive freedom. The monuments to this new war would be these: roads and schools, hospitals and homes, food and health."

Almost 3 years ago—on June 6, 1950—I joined with several House Members from both parties in sponsoring a resolution which asked the Congress to go on record as supporting this self-same objective of effective regulation of armaments, and the use of a substantial portion of the moneys thereby saved for human betterment. I was proud to have as one of my associates in sponsoring this resolution the distinguished gentleman from New York [Mr. COLE], who is now chairman of the Joint Committee on Atomic Energy. In the other Chamber, an identical resolution was introduced by the late Senator McMahon and other esteemed Senators from both parties. Our resolution was of course completely bipartisan. If an atomic attack is someday launched against our country, it will matter little whether we live in Republican Maine or Democratic Mississippi. And the hunger and pov-

erty which is now the lot of countless millions in the undeveloped areas of the world recognizes no party affiliations. Our resolution urged:

That the Congress of the United States appeal to the peoples of the world to join in a great moral crusade for peace and freedom;

That the Congress of the United States advocate and recommend an immediate special session of the General Assembly of the United Nations for the single purpose of stopping the armaments race by speeding agreement upon effective and enforceable disarmament and control covering conventional armaments, biological, and chemical agents, and atomic, and hydrogen bombs;

That the Congress of the United States, as tangible evidence of its good faith, pledge itself to appropriate and to make available to the United Nations—when an effective and enforceable system of worldwide disarmament and control takes effect—a substantial portion of all money saved for a period of 5 years, such sums to be expended by the United Nations for peaceful development of atomic energy, technical assistance programs to underdeveloped areas, and general economic aid and assistance to all war-ravaged countries;

That the Congress of the United States call upon all other governments to make a like pledge; and, therefore,

That copies of this resolution be transmitted to the Secretary-General of the United Nations and to each United Nations delegate and also that copies be transmitted to the presiding officer of every national parliament, congress, and deliberative assembly throughout the world.

I do not know whether President Eisenhower's call for a war against the brute forces of poverty and need was partially inspired by our resolution 3 years ago. This does not matter.

What does matter is that the Congress now support the President 100 percent in making it clear that—if the Soviets would attest to their will for peace by honest deeds—we would stand ready to join with all peaceful nations in turning back the onrushing arms race and in freeing the resources of the world for constructive tasks.

You may be wondering if such a vision can be realized. My answer must be that I do not know, and certainly the past record of the Kremlin is not one to inspire optimism.

But this much I do know: We are a moral people with a moral purpose to serve in this world. And it is our simple moral duty to make it plain for every man to see that the armament race is not of our choosing. The resolution which I sponsored 3 years ago sets the record straight. If the Kremlin continues to obstruct the realization of a program of bread for bombs and peace for war, let us at least tell the world on whose doorstep the responsibility lies.

Mr. Speaker, I will now reintroduce my resolution of three summers ago. I earnestly ask that every Member of this House, on both sides of the aisle, join in sponsoring it.

REMOVAL OF EXTENSION OF REMARKS FROM PERMANENT RECORD

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent that

my extension of remarks appearing on page A1980 be removed from the permanent RECORD.

The SPEAKER. Is there objection to the request of the gentlewoman from Massachusetts?

There was no objection.

NATURAL RESOURCE DEVELOPMENT

The SPEAKER. Under previous order of the House, the gentleman from Alabama [Mr. JONES] is recognized for 10 minutes.

Mr. JONES of Alabama. Mr. Speaker, a few days ago I discussed the synthetic consensus of opinion on natural-resource development currently being circulated by the American Farm Bureau Federation. The present position taken by the Farm Bureau, which by implication condemns the TVA, is a strange departure from the position taken by the Bureau in past years. I would remind you that the distinguished former president of the American Farm Bureau Federation, the Honorable Edward A. O'Neal, was one of the great supporters of TVA and one of its leading proponents. During his tenure of office as Bureau president, Mr. O'Neal was vigorous in his support of the TVA program. There has indeed been a change.

You will recall that last week I suggested that the basic opinion running through the present Farm Bureau resolutions on this subject appears to be the opinion of the private utilities. I asserted that the farmers of my district will never be reconciled to it; and that farmers elsewhere will reject it, too, if they have the facts. I outlined some of the reasons why I believe this to be the case, and in particular described what the rural electrification and agricultural programs of the Tennessee Valley Authority have meant to the farmers of north Alabama. Today I want to speak of some of the other benefits which have come to the north Alabama area as a result of the unified development program undertaken by this regional agency which under the present Farm Bureau resolution would never be duplicated in any other area and would be emasculated or destroyed in the Tennessee Valley.

I would place near the top of TVA's long list of achievements the sense of common purpose and common destiny which it has brought to the people of the area. When TVA announced the same standard rates for homes in towns and on farms a whole new era began. Because TVA saw the resources and the region as a whole, farmers and workers, merchants and industrialists, rural people, and towns people are working together more closely than they ever worked before. The benefits to our farmers of rural electrification, high analysis fertilizers, improved methods of farming have been reflected in benefits accruing to villages and cities and towns. The new plants which process the new farm products have expanded opportunities for employment for the men and women of the area whose choice of occupation was limited before the TVA be-

Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE
(For Department Staff Only)

Issued April 23, 1953
For actions of April 22, 1953
83rd-1st, No. 71

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HIGHLIGHTS: House passed 3rd supplemental appropriation bill with REA item stricken on point of order, and 1st independent offices appropriation bill, rejecting amendment to restore item for civil-service retirement fund. Senate committee voted to report resolution for consolidated appropriation bill. House committee reported bill to exempt certain top officials from leave system.

HOUSE

1. APPROPRIATIONS. Passed with amendment H. R. 4664, the third supplemental appropriation bill, 1953 (pp. 3687-8). A point of order by Rep. Coudert, against the rural-telephone loans item, was sustained (p. 3688). For other items in this bill, see Digest 67.
Passed with amendment H. R. 4663, the first independent offices appropriation bill, 1954 (pp. 3645-87). Rejected, 84-143, an amendment by Rep. Miller, Calif., to restore the \$368,154,000 for the civil service retirement and disability fund (pp. 3645-9). Rejected, 38-132, an amendment by Rep. Williams, Miss., prohibiting salary payments in excess of congressional salaries to persons (except the President) covered by the bill (pp. 3683-5). Rep. Priest, in discussing the National Science Foundation cut, said this agency would still be authorized to receive funds from other Government research agencies (p. 3681).
2. PERSONNEL. The Post Office and Civil Service Committee reported with amendment H. R. 4654, to exempt certain major officials from the Annual and Sick Leave Act of 1951 (H. Rept. 309)(p. 3689).
3. WILDLIFE CONSERVATION. The Interior and Insular Affairs Committee reported with amendment H. R. 1571, to permit appointment of Federal or Territorial employees to the Alaska Game Commission if no others are available (H. Rept. 307)(p.3689).
4. DAYLIGHT-SAVING TIME. A subcommittee of the Judiciary Committee voted to report to the full committee (without recommendation) S. 1419 and H. R. 1391, authorizing the D. C. Commissioners to establish daylight-saving time in D. C.; and H. R. 4363, authorizing the President to establish daylight-saving time each year in D. C. (p. D304).

SENATE

5. SUBMERGED LANDS. Continued debate on S. J. Res. 13, to establish State title to submerged lands (pp. 3691-2, 3697-741).
6. APPROPRIATIONS. The Rules and Administration Committee ordered favorably reported (but did not actually report) S. Con. Res. 8, providing for a consolidated general appropriation bill (p. D303).
7. WATER UTILIZATION. Sen. Morse inserted an Oreg. Legislature resolution urging "continued orderly development of the Columbia River and its tributaries" (p. 3693).

BILLS INTRODUCED

8. OLEOMARGARINE. H. R. 4766, by Rep. Bates, to amend the Navy ration statute so as to provide for the serving of oleomargarine or margarine; to Armed Services Committee (p. 3689).
9. FARM LOANS. H. R. 4768, by Rep. Curtis, Nebr., to amend the National Housing Act to authorize insurance of loans made to finance deep well irrigation systems; to Banking and Currency Committee (p. 3689).
10. PERSONNEL. H. R. 4773, by Rep. Kearney, to simplify and consolidate laws regarding dual employment; to Post Office and Civil Service Committee (p. 3689).
11. RECLAMATION. H. R. 4788, by Rep. Young, to facilitate the development of small reclamation projects; to Interior and Insular Affairs Committee (p. 3690).
S. 1719, by Sen. Martin, to rescind the authorization of the Libby Dam project; to Public Works Committee (p. 3694). Remarks of author (p. 3695).
by Sen. Murray,
12. WATER-FACILITIES LOANS. S. 1727, to increase and revise the limitation on aid under the Water Facilities Act; to Agriculture and Forestry Committee (p. 3694).
13. EXTENSION SERVICE. H. R. 4789, by Rep. Albert, to consolidate Extension Service authorizations; to Agriculture Committee (p. 3690).
14. PUBLIC LANDS; RESEARCH. H. R. 4792, by Rep. Jarman, to provide for an Army cemetery on USDA lands at Fort Reno, Okla.; to Agriculture Committee (p. 3690).
15. HOLIDAY. H. J. Res. 245, by Rep. Bosch, declaring Inauguration Day a legal holiday; to Judiciary Committee (p. 3690).

ITEMS IN APPENDIX

16. TREATIES. Rep. Busbey inserted Sen. Bricker's recent statement and Frank E. Holman's address before DAR discussing the dangers of the treaty law to the sovereignty of the U. S. (pp. A2205-11).
17. BUDGETING; EXPENDITURES. Rep. Coudert inserted Roswell Magill's statement before the House Government Operations Committee favoring H. R. 2, to attain a balanced budget for the fiscal year 1954 by limiting expenditures to anticipated revenues (pp. A2212-3).
18. ST. LAWRENCE SEAWAY. Rep. Van Zandt inserted a Philadelphia Bulletin article claiming that Canadian officials now favor constructing this project without U. S. participation (p. A2221).

83D CONGRESS
1ST SESSION

H. R. 4663

IN THE SENATE OF THE UNITED STATES

APRIL 23 (legislative day, APRIL 6), 1953

Read twice and referred to the Committee on Appropriations

AN ACT

Making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1954, and for other purposes.

- 1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That the following sums are appropriated, out of any money
4 in the Treasury not otherwise appropriated, for the Execu-
5 tive Office and sundry independent executive bureaus, boards,
6 commissions, corporations, agencies, and offices, for the fiscal
7 year ending June 30, 1954, namely:

TITLE I

EXECUTIVE OFFICE OF THE PRESIDENT

COMPENSATION OF THE PRESIDENT

For compensation of the President, including an expense allowance at the rate of \$50,000 per annum, as authorized by the Act of January 19, 1949 (3 U. S. C. 102), \$150,000.

THE WHITE HOUSE OFFICE

Salaries and expenses: For expenses necessary for The White House Office, including not to exceed \$120,000 for services as authorized by section 15 of the Act of August 2, 1946 (5 U. S. C. 55a), at such per diem rates for individuals as the President may specify, and other personal services without regard to the provisions of law regulating the employment and compensation of persons in the Government service; and travel and official entertainment expenses of the President, to be accounted for solely on his certificate; \$1,800,000.

EMERGENCY FUND FOR THE PRESIDENT

NATIONAL DEFENSE

For expenses necessary to enable the President, through such officers or agencies of the Government as he may designate, and without regard to such provisions of law regarding the expenditure of Government funds or the compensation and employment of persons in the Government service as

1 he may specify, to provide in his discretion for emergencies
2 affecting the national interest, security, or defense which may
3 arise at home or abroad during the current fiscal year,
4 \$500,000, together with the unobligated balance in such
5 fund on June 30, 1953: *Provided*, That no part of this
6 appropriation shall be available for allocation to finance a
7 function or project for which function or project a budget
8 estimate of appropriation was transmitted pursuant to law
9 during the Eighty-third Congress and such appropriation
10 denied after consideration thereof by the Senate or House of
11 Representatives or by the Committee on Appropriations of
12 either body.

13 EXECUTIVE MANSION AND GROUNDS

14 For the care, maintenance, repair and alteration, re-
15 furnishing, improvement, heating and lighting, including
16 electric power and fixtures, of the Executive Mansion and
17 the Executive Mansion grounds, and traveling expenses, to
18 be expended as the President may determine, notwithstand-
19 ing the provisions of this or any other Act, \$356,184.

20 BUREAU OF THE BUDGET

21 Salaries and expenses: For expenses necessary for the
22 Bureau of the Budget, including newspapers and periodicals
23 (not exceeding \$200) ; teletype news service (not exceed-
24 ing \$900) ; not to exceed \$70,000 for expenses of travel; and
25 not to exceed \$20,000 for services as authorized by section 15

1 of the Act of August 2, 1946 (5 U. S. C. 55a), at rates not
2 to exceed \$50 per diem for individuals; \$3,412,000: *Pro-*
3 *vided*, That the title of the position of the Assistant Di-
4 rector of the Bureau of the Budget is changed to Deputy
5 Director: *Provided further*, That two positions of Assistant
6 Director are hereby authorized at a salary of \$15,000 each
7 per annum in lieu of two positions in grade GS-18.

8 INDEPENDENT OFFICES

9 AMERICAN BATTLE MONUMENTS COMMISSION

10 SALARIES AND EXPENSES

11 Salaries and expenses: For necessary expenses, as au-
12 thorized by the Act of June 26, 1946 (36 U. S. C. 121,
13 123-132, 138), including the acquisition of land or interest
14 in land in foreign countries; purchase and repair of uniforms
15 for caretakers of national cemeteries and monuments outside
16 of the United States and its Territories and possessions at a
17 cost not exceeding \$500; not to exceed \$8,000 for
18 expenses of travel; rent of office and garage space in foreign
19 countries; and insurance of official motor vehicles in
20 foreign countries when required by law of such countries;
21 \$750,000: *Provided*, That where station allowance has been
22 authorized by the Department of the Army for officers of the
23 Army serving the Army at certain foreign stations, the same
24 allowance shall be authorized for officers of the Armed Forces
25 assigned to the Commission while serving at the same foreign

1 stations, and this appropriation is hereby made available for
2 the payment of such allowance: *Provided further*, That when
3 traveling on business of the Commission, officers of the Armed
4 Forces serving as members or as secretary of the Commission
5 may be reimbursed for expenses as provided for civilian
6 members of the Commission.

7 CONSTRUCTION OF MEMORIALS AND CEMETERIES

8 Construction of memorials and cemeteries: For expenses
9 necessary for the permanent design and construction of
10 memorials and cemeteries in foreign countries as authorized
11 by the Act of June 26, 1946 (36 U. S. C. 121, 123-132,
12 138b), and the Act of August 5, 1947 (50 U. S. C. App.
13 1819), including not to exceed \$27,520 for expenses of
14 travel, \$9,500,000, to remain available until expended.

15 CIVIL SERVICE COMMISSION

16 Salaries and expenses: For necessary expenses, includ-
17 ing not to exceed \$29,000 for services as authorized by
18 section 15 of the Act of August 2, 1946 (5 U. S. C. 55a) ;
19 not to exceed \$10,000 for medical examinations performed
20 for veterans by private physicians on a fee basis; travel
21 expenses of examiners acting under the direction of the Com-
22 mission, and expenses of examinations and investigations held
23 in Washington and elsewhere; not to exceed \$100 for the
24 purchase of newspapers and periodicals (excluding scientific,
25 technical, trade or traffic periodicals, for official use) ; pay-

1 ment in advance for library membership in societies whose
2 publications are available to members only or to members at
3 a price lower than to the general public; not to exceed
4 \$65,000 for performing the duties imposed upon the Com-
5 mission by the Act of July 19, 1940 (54 Stat. 767);
6 reimbursement of the General Services Administration for
7 security guard services for protection of confidential files;
8 not to exceed \$383,335 for expenses of travel; and not to
9 exceed \$5,000 for actuarial services by contract, without
10 regard to section 3709, Revised Statutes, as amended;
11 \$16,064,323: *Provided*, That no details from any execu-
12 tive department or independent establishment in the
13 District of Columbia or elsewhere to the Commission's
14 central office in Washington or to any of its regional offices
15 shall be made during the current fiscal year, but this shall
16 not affect the making of details for service as members of the
17 boards of examiners outside the immediate offices of the Com-
18 mission in Washington or of the regional directors, nor shall
19 it affect the making of details of persons qualified to serve as
20 expert examiners on special subjects: *Provided further*, That
21 the Civil Service Commission shall have power in case of
22 emergency to transfer or detail any of its employees to or
23 from its office or field force: *Provided further*, That members
24 of the Loyalty Review Board in Washington and of the
25 regional loyalty boards in the field may be paid actual trans-

1 portation expenses, and per diem in lieu of subsistence author-
2 ized by the Travel Expense Act of 1949 while traveling on
3 official business away from their homes or regular places of
4 business, and while en route to and from and at the place
5 where their services are to be performed: *Provided further*,
6 That nothing in section 281 or 283 of title 18, United States
7 Code, or in section 190 of the Revised Statutes (5 U. S. C.
8 99) shall be deemed to apply to any person because of his
9 appointment for part-time or intermittent service as a mem-
10 ber of the Loyalty Review Board or a regional loyalty board
11 in the Civil Service Commission: *Provided further*, That,
12 effective July 1, 1953, or on the date of enactment of this
13 Act if such date is subsequent to July 1, 1953, the Federal
14 Personnel Council, Civil Service Commission, is hereby
15 abolished, and its personnel (at a cost not exceeding \$25,000
16 for the current fiscal year) , files, records, and other property
17 are transferred to the Office of the Executive Director, Civil
18 Service Commission.

19 No part of the appropriations herein made to the Civil
20 Service Commission shall be available for the salaries and
21 expenses of the Legal Examining Unit in the Examining
22 and Personnel Utilization Division of the Commission, es-
23 tablished pursuant to Executive Order Numbered 9358 of
24 July 1, 1943, or for the compensation or expenses of any
25 member of a board of examiners (1) who has not made

1 affidavit that he has not appeared in any agency proceeding
2 within the preceding two years, and will not thereafter while
3 a board member appear in any agency proceeding, as a party,
4 or in behalf of a party to the proceeding, before an agency in
5 which an applicant is employed who has been rated or will
6 be rated by such member; or (2) who, after making such
7 affidavit, has rated an applicant who at the time of the rating
8 is employed by an agency before which the board member
9 has appeared as a party, or in behalf of a party, within the
10 preceding two years: *Provided*, That the definitions of
11 "agency", "agency proceeding", and "party" in section 2
12 of the Administrative Procedure Act shall apply to these
13 terms as used herein.

14 No part of appropriations herein shall be used to pay the
15 compensation of officers and employees of the Civil Service
16 Commission who allocate or reallocate supervisory positions
17 in the classified civil service solely on the size of the group,
18 section, bureau, or other organization unit, or on the number
19 of subordinates supervised. References to size of the group,
20 section, bureau, or other organization unit or the number of
21 subordinates supervised may be given effect only to the ex-
22 tent warranted by the workload of such organization unit
23 and then only in combination with other factors, such as the
24 kind, difficulty, and complexity of work supervised, the de-
25 gree and scope of responsibility delegated to the supervisor,

1 and the kind, degree, and value of the supervision actually
2 exercised.

3 Annuities, Panama Canal construction employees and
4 Lighthouse Service widows: For payment of annuities au-
5 thorized by the Act of May 29, 1944, as amended (48
6 U. S. C. 1373a), and the Act of August 19, 1950 (64 Stat.
7 465), \$2,500,000.

8 Payment to the civil-service retirement and disability
9 fund for increases in annuities provided by the Act of July
10 16, 1952: For payment to the "civil-service retirement and
11 disability fund" for the cost, as heretofore determined by
12 the Civil Service Commission, of increases in annuities pro-
13 vided by the Act of July 16, 1952 (66 Stat. 723), for
14 the fiscal year 1954, \$31,397,000.

15 FEDERAL COMMUNICATIONS COMMISSION

16 Salaries and expenses: For necessary expenses in per-
17 forming the duties of the Commission as authorized by law,
18 including newspapers (not to exceed \$175), land and
19 structures (not to exceed \$3,000), special counsel fees, im-
20 provement and care of grounds and repairs to buildings (not
21 to exceed \$17,500), services as authorized by section 15
22 of the Act of August 2, 1946 (5 U. S. C. 55a), and not
23 to exceed \$73,335 for expenses of travel, \$7,100,000, of
24 which not less than \$935,000 shall be available for personal

1 services necessary for application processing and hearings in
2 connection with the issuance and renewal of television
3 licenses, and not less than \$809,271 shall be available for
4 personal services necessary for application processing and
5 hearings in connection with the issuance of licenses in the
6 safety and special radio services.

7 FEDERAL POWER COMMISSION

8 Salaries and expenses: For expenses necessary for the
9 work of the Commission, as authorized by law, including
10 not to exceed \$173,335 for expenses of travel; hire of pas-
11 senger motor vehicles; and not to exceed \$500 for news-
12 papers; \$4,300,000, of which not to exceed \$10,000 shall
13 be available for special counsel and services as author-
14 ized by section 15 of the Act of August 2, 1946 (5 U. S. C.
15 55a), but at rates not exceeding \$50 per diem for
16 individuals.

17 FEDERAL TRADE COMMISSION

18 Salaries and expenses: For necessary expenses of the
19 Federal Trade Commission, including contract stenographic
20 reporting services, not to exceed \$500 for newspapers, and
21 not to exceed \$163,035 for expenses of travel, \$4,178,800:
22 *Provided*, That no part of the foregoing appropriation shall
23 be expended upon any investigation hereafter provided by
24 concurrent resolution of the Congress until funds are appro-
25 priated subsequently to the enactment of such resolution to

1 finance the cost of such investigation: *Provided further*,
2 That no part of the foregoing appropriation shall be available
3 for a statistical analysis of the consumer's dollar.

4 GENERAL ACCOUNTING OFFICE

5 Salaries and expenses: For necessary expenses of the
6 General Accounting Office, including newspapers and peri-
7 odicals (not exceeding \$500), and services as authorized
8 by section 15 of the Act of August 2, 1946 (5 U. S. C. 55a),
9 \$31,981,000.

10 GENERAL SERVICES ADMINISTRATION

11 Operating expenses, Public Buildings Service: For
12 necessary expenses of real property management and
13 related activities as provided by law; including the salary
14 of the Commissioner of Public Buildings at the rate of
15 \$16,500 per annum so long as the position is held by the
16 present incumbent; repair and improvement of public
17 buildings and grounds (including furnishings and equip-
18 ment) under the control of the General Services Adminis-
19 tration; rental of buildings in the District of Columbia;
20 restoration of leased premises; moving Government agen-
21 cies in connection with the assignment, allocation, and
22 transfer of building space; demolition of buildings; acquisition
23 by purchase or otherwise and disposal by sale or otherwise
24 of real estate and interests therein; and not to exceed
25 \$161,200 for expenses of travel; \$98,826,070: *Provided*,

1 That the foregoing appropriation shall not be available to
2 effect the moving of Government agencies from the District of
3 Columbia into buildings acquired to accomplish the dispersal
4 of departmental functions of the executive establishment
5 into areas outside of but accessible to the District of
6 Columbia.

7 Emergency operating expenses: For necessary emergency
8 expenses of the General Services Administration not other-
9 wise provided for, for operation, maintenance, protection,
10 repair, alterations, and improvements of public buildings and
11 grounds (including furnishings and equipment) to the extent
12 that such buildings and grounds are under the control of the
13 General Services Administration for such purposes as are
14 provided for in Public Law 152, Eighty-first Congress, as
15 amended; rental of buildings or parts thereof in the District
16 of Columbia and elsewhere, including repairs, alterations,
17 and improvements necessary for proper use by the Govern-
18 ment, without regard to section 322 of the Act of June 30,
19 1932, as amended (40 U. S. C. 278a) ; restoration of leased
20 premises; moving Government agencies in connection with
21 the assignment, allocation, and transfer of building space; and
22 not to exceed \$22,865 for expenses of travel; \$22,668,250:
23 *Provided*, That of this amount, such sums as may be deter-
24 mined by the General Services Administrator to be necessary
25 may be paid into other appropriations of the General Services

1 Administration only for purposes of accounting: *Provided*
2 *further*, That no part of this appropriation shall be available
3 to effect the moving of Government agencies from the District
4 of Columbia to accomplish the dispersal of departmental
5 functions.

6 Repair, improvement, and equipment of federally owned
7 buildings outside the District of Columbia: For expenses nec-
8 essary for the repair, alteration, preservation, renovation,
9 improvement, equipment, and demolition of federally owned
10 buildings outside the District of Columbia, not otherwise pro-
11 vided for, including grounds, approaches and appurtenances,
12 wharves and piers, together with the necessary dredging
13 adjacent thereto; acquisition of land as authorized by title III
14 of the Act of June 16, 1949 (40 U. S. C. 297); not to
15 exceed \$133,400 for expenses of travel; and care and safe-
16 guarding of sites acquired for Federal buildings; \$18,000,-
17 000, to remain available until expended.

18 Buildings management fund: For working capital for the
19 "Buildings management fund", authorized by the Act ap-
20 proved July 12, 1952 (66 Stat. 594), \$3,000,000, to
21 remain available without fiscal year limitation.

22 Remodeling the Congress Street Post Office, Chicago,
23 Illinois: For remodeling the Congress Street Post Office
24 building and facilities in Chicago, Illinois, including ramps
25 and approach roadways, as authorized by section 408 of the

1 Public Buildings Act of 1949 (63 Stat. 176), to permit
2 Congress Street to be developed, by the City of Chicago, as a
3 superhighway through said post office, and including not
4 to exceed \$800 for expenses of travel, \$576,200, to remain
5 available until expended: *Provided*, That this appropriation
6 shall not be available until the city of Chicago shall have
7 paid to the United States the sum of \$600,000 as its con-
8 tribution to the cost of the project appropriated for herein,
9 and said amount may be credited to this appropriation and
10 shall be available for the purposes thereof.

11 Operating expenses, Federal Supply Service: For neces-
12 sary expenses of personal property management and related
13 activities as provided by law; including not to exceed \$300
14 for the purchase of newspapers and periodicals; and not
15 to exceed \$79,865 for expenses of travel; \$2,605,000.

16 Expenses, general supply fund: For expenses necessary
17 for operation of the general supply fund (except those
18 authorized by law to be charged to said fund), including
19 contractual services incident to receiving, handling, and
20 shipping warehouse items; not to exceed \$250 for purchase
21 of newspapers and periodicals; and not to exceed \$140,700
22 for expenses of travel; \$13,924,500: *Provided*, That funds
23 available to the General Services Administration for the cur-
24 rent fiscal year shall be available for the hire of passenger
25 motor vehicles.

1 Operating expenses, National Archives and Records
2 Service: For necessary expenses in connection with Federal
3 records management and related activities as provided by
4 law; and not to exceed \$24,600 for expenses of travel;
5 \$5,625,000, of which \$200,000 shall remain available until
6 expended for nitrate film conversion.

7 Administrative operations: For necessary expenses of
8 executive direction for activities under the control of the
9 General Services Administration, of administrative operations
10 for activities under regular appropriations for "Operating
11 expenses," and of processing and determining renegotiation
12 rebates; including not to exceed \$88,600 for expenses of
13 travel; and not to exceed \$250 for purchase of newspapers
14 and periodicals; \$4,140,750.

15 Refunds under Renegotiation Act: For refunds under
16 section 201 (f) of the Renegotiation Act of 1951,
17 \$9,000,000, which, together with the unobligated balance
18 of the appropriations granted under this head for the fiscal
19 years 1952 and 1953, shall remain available until June 30,
20 1955: *Provided*, That to the extent refunds are made from
21 this appropriation of excessive profits collected under the Re-
22 negotiation Act and retained by the Reconstruction Finance
23 Corporation or any of its subsidiaries, the Reconstruction
24 Finance Corporation or the appropriate subsidiary shall
25 reimburse this appropriation.

1 Strategic and critical materials: Funds available for
2 this purpose during the current fiscal year shall be available
3 for services as authorized by section 15 of the Act of
4 August 2, 1946 (5 U. S. C. 55a), and not to exceed
5 \$143,000 of such funds shall be available for expenses of
6 travel: *Provided*, That any funds received as proceeds from
7 sale or other disposition of materials on account of the
8 rotation of stocks under said Act shall be deposited to the
9 credit, and be available for expenditure for the purposes,
10 of this appropriation: *Provided further*, That during the
11 current fiscal year, there shall be no limitation on the value
12 of surplus strategic and critical materials which, in accord-
13 ance with subsection 6 (a) of the Act of July 23, 1946
14 (50 U. S. C. 98e (a)), may be transferred to stockpiles
15 established in accordance with said Act.

16 Strategic and critical materials (liquidation of contract
17 authorization) : For liquidation of obligations incurred pur-
18 suant to authority heretofore granted under this head, to
19 enter into contracts for the purpose of the Strategic and
20 Critical Materials Stock Piling Act of July 23, 1946, not
21 to exceed \$30,000,000 may be expended from funds previ-
22 ously appropriated under the title "Strategic and critical
23 materials": *Provided*, That this amount may be disbursed
24 through the appropriation "Strategic and critical materials"
25 but shall be accounted for separately therein.

1 The appropriate foregoing appropriation to the General
2 Services Administration shall be credited with (1) advances
3 or reimbursements for salaries and administrative expenses
4 chargeable against other appropriations of the General Serv-
5 ices Administration, and such salaries and expenses may be
6 paid from such foregoing appropriation; (2) cost of mainte-
7 nance, upkeep, and repair included as part of rentals received
8 from Government corporations pursuant to law (40 U. S. C.
9 129) ; (3) reimbursements for services performed in respect
10 to bonds and other obligations under the jurisdiction of the
11 General Services Administration, issued by public authorities,
12 States, or other public bodies, and such services in respect
13 to such bonds or obligations as the Administrator deems
14 necessary and in the public interest may, upon the request
15 and at the expense of the issuing agencies, be provided from
16 the appropriate foregoing appropriation; and (4) appro-
17 priations or funds available to other agencies, and transferred
18 to the General Services Administration, in connection with
19 property transferred to the General Services Administration
20 pursuant to the Act of July 2, 1948 (50 U. S. C. 451ff),
21 and such appropriations or funds may, with the approval of
22 the Bureau of the Budget, be so transferred.

23 During the current fiscal year, no part of any money
24 appropriated in this or any other Act shall be used during

1 any quarter of such fiscal year to purchase within the con-
2 tinental limits of the United States typewriting machines
3 (except bookkeeping and billing machines) at a price
4 which exceeds 90 per centum of the lowest net cash price,
5 plus applicable Federal excise taxes, accorded the most-
6 favored customer (other than the Federal government, State
7 governments, the American National Red Cross, and the pur-
8 chasers of typewriting machines for educational purposes
9 only) of the manufacturer of such machines during the
10 six-month period immediately preceding such quarter:
11 *Provided*, That the purchase, utilization, and disposal
12 of typewriting machines shall be performed in accord-
13 ance with the provisions of the Federal Property and Ad-
14 ministrative Services Act of 1949, as amended.

15 REDUCTIONS IN APPROPRIATIONS

16 Amounts available to the General Services Administra-
17 tion from appropriations and other funds are hereby reduced
18 in the sums hereinafter set forth, such sums to be carried to
19 the surplus fund and covered into the Treasury immediately
20 upon the approval of this Act:

21 Construction of public buildings, \$160,000.

22 Geophysical Institute, Alaska, \$49,000.

23 Acquisition of additional land in the District of
24 Columbia, \$1,075,000.

HOUSING AND HOME FINANCE AGENCY

OFFICE OF THE ADMINISTRATOR

Salaries and expenses: For necessary expenses of the Office of the Administrator, including rent in the District of Columbia; services as authorized by section 15 of the Act of August 2, 1946 (5 U. S. C. 55a); not to exceed \$175,800 for expenses of travel; expenses of attendance at meetings of organizations concerned with the work of the agency; and transportation expenses and not to exceed \$25 per diem in lieu of subsistence, as authorized by section 5 of the Act of August 2, 1946 (5 U. S. C. 73b-2), for persons serving without compensation as members of any advisory committee established pursuant to title VI of the Housing Act of 1949; \$2,587,100: *Provided*, That necessary expenses of inspections and of providing representatives at the site of projects being undertaken by local public agencies pursuant to title I of the Housing Act of 1949 and of projects financed through loans to educational institutions authorized by title IV of the Housing Act of 1950, shall be compensated by such agencies or institutions by the payment of fixed fees which in the aggregate will cover the costs of rendering such services, and expenses for such purpose shall be considered nonadministrative; and for the purpose of providing such inspections, the Adminis-

1 trator may utilize any agency and such agency may accept
2 reimbursement or payment for such services from such insti-
3 tutions or the Administrator, and shall credit such amounts
4 to the appropriations or funds against which such charges
5 have been made, but such nonadministrative expenses shall
6 not exceed \$500,000: *Provided further*, That not to exceed
7 \$40,000 of this appropriation shall be available for a reor-
8 ganization survey of the Housing and Home Finance Agency
9 in cooperation with the President's Advisory Committee on
10 Government Organization: *Provided further*, That the Ad-
11 ministrator is authorized without regard to any other pro-
12 visions of law to transfer without reimbursement any project
13 or facility, or part thereof, constructed or provided under title
14 II of the Act of October 14, 1940, as amended (including
15 any personal property related to such project or facility),
16 to any other department or agency, whenever the head of
17 such department or agency so requests after determining
18 that such project or facility is required for the continued
19 operation of or is an integral part of a project or facility
20 under the jurisdiction of such department or agency: *Pro-*
21 *vided further*, That the Administrator's general supervision
22 and coordination responsibilities under Reorganization Plan
23 Numbered 3 of 1947 shall carry full authority to assign and
24 reassign functions, to reorganize and to make whatever
25 changes, including the reallocation and transfer of adminis-

1 trative expense funds and authority where applicable, neces-
2 sary to promote economy and efficiency in the operations of
3 the Housing and Home Finance Agency: *Provided further,*
4 That the Administrator shall not expend more than \$21,-
5 000,000 during the fiscal year 1954 on loans to educational
6 institutions not committed as of June 30, 1953.

7 Defense Community Facilities and Services: During the
8 current fiscal year not to exceed \$112,500 of the appro-
9 priations granted under this head in the Second and Third
10 Supplemental Appropriation Acts, 1952, shall be available
11 for administrative expenses in connection with the construc-
12 tion of facilities under such appropriations.

13 Capital grants for slum clearance and urban redevelop-
14 ment: For an additional amount for payment of capital grants
15 as authorized by title I of the Housing Act of 1949, as
16 amended (42 U. S. C. 1453, 1456), \$20,000,000, to remain
17 available until expended: *Provided,* That before approv-
18 ing any local slum clearance program under title I
19 of the Housing Act of 1949, the Administrator shall
20 give consideration to the efforts of the locality to en-
21 force local codes and regulations relating to adequate
22 standards of health, sanitation, and safety for dwell-
23 ings and to the feasibility of achieving slum clearance
24 objectives through rehabilitation of existing dwellings and
25 areas: *Provided further,* That the authority under title I of

1 the National Housing Act shall be used to the utmost in
2 connection with slum rehabilitation needs: *Provided further*,
3 That section 110, subsection (e) of the Housing Act of
4 1949 is hereby amended to read: "Gross project cost" shall
5 comprise (1) the amount of the expenditures by the local
6 public agency with respect to any and all undertakings nec-
7 essary to carry out the project (including the payment of
8 carrying charges, but not beyond the point where the proj-
9 ect is completed, and excluding expenditures for parks, play-
10 grounds, public buildings, or similar facilities), and (2) the
11 amount of such local grants-in-aid as are described in clause
12 (2) of section 110 (d) hereof.

13 PUBLIC HOUSING ADMINISTRATION

14 Administrative expenses: For administrative expenses
15 of the Public Housing Administration, \$4,948,000, to be
16 merged with and expended under the authorization for such
17 expenses contained in title II of this Act.

18 Annual contributions: For the payment of annual
19 contributions to public housing agencies in accordance with
20 section 10 of the United States Housing Act of 1937, as
21 amended (42 U. S. C. 1410), \$32,500,000: *Provided*,
22 That except for payments required on contracts entered
23 into prior to April 18, 1940, no part of this appropriation
24 shall be available for payment to any public housing agency
25 for expenditure in connection with any low-rent housing

1 project, unless the public housing agency shall have adopted
2 regulations prohibiting as a tenant of any such project by
3 rental or occupancy any person other than a citizen of the
4 United States, but such prohibition shall not be applicable in
5 the case of a family of any serviceman or the family of any
6 veteran who has been discharged (other than dishonorably)
7 from, or the family of any serviceman who died in, the
8 Armed Forces of the United States within four years prior
9 to the date of application for admission to such housing:
10 *Provided further*, That all expenditures of this appropriation
11 shall be subject to audit and final settlement by the Comp-
12 troller General of the United States under the provisions of
13 the Budget and Accounting Act of 1921, as amended:
14 *Provided further*, That no housing shall be authorized by
15 the Public Housing Administration, or, if under construc-
16 tion, continue to be constructed, in any community where
17 the people of that community, by their duly elected repre-
18 sentatives, or by referendum, or by any other legal method,
19 have indicated they do not want it, and such community shall
20 negotiate with the Federal Government the repayment to
21 the Government, only such money expended prior to the
22 vote or other formal action whereby the community re-
23 jected such housing project: *Provided further*, That the rec-
24 ord of expenditure of the Public Housing Administration
25 and of the local housing authority on any public hous-

1 ing project shall be open to examination by the respon-
2 sible authorities of any community in which such project
3 is located, or by the local public housing authority, or by any
4 firm of public accountants retained by either of the foregoing:
5 *Provided further*, That no housing unit constructed under
6 the United States Housing Act of 1937, as amended, shall
7 be occupied by a person who is a member of an organization
8 designated as subversive by the Attorney General: *Pro-*
9 *vided further*, That the foregoing prohibition shall be en-
10 forced by the local housing authority, and that such prohibi-
11 tion shall not impair or affect the powers or obligations of
12 the Public Housing Administration with respect to the
13 making of loans and annual contributions under the United
14 States Housing Act of 1937, as amended: *Provided*
15 *further*, That the limitation in clause (2) of the third proviso
16 under this head in title I of the Independent Offices Appro-
17 priation Act, 1953, is amended to read as follows: “(2)
18 after the date of approval of this Act, enter into any agree-
19 ment, contract, or other arrangement which will bind the
20 Public Housing Administration with respect to loans, annual
21 contributions, or authorizations for commencement of con-
22 struction, for any dwelling units or projects”.

23 REDUCTIONS IN APPROPRIATIONS

24 Defense housing: The sum of \$17,500,000 of funds
25 heretofore appropriated under this head is hereby rescinded,

1 and such amount shall be covered into the Treasury promptly
2 upon enactment of this Act: *Provided*, That the amount
3 hereby rescinded may be reduced by an amount determined
4 by the Administrator to be required as a reserve for overruns
5 and contingencies in connection with projects heretofore
6 assigned for construction pursuant to Public Law 139
7 (Eighty-second Congress).

8 Alaska housing: Of amounts heretofore appropriated
9 under this head for the revolving fund authorized by the
10 Alaska Housing Act, Public Law 52 (Eighty-first Con-
11 gress), the Administrator shall cause to be covered into the
12 Treasury a total of \$5,000,000 in one or more deposits as
13 soon as practicable, but not later than June 30, 1954.

14 Advance planning of non-Federal public works: The sum
15 of \$4,600,000 of funds heretofore appropriated under this
16 head is hereby rescinded, and such amount shall be covered
17 into the Treasury promptly upon enactment of this Act.

18 INDIAN CLAIMS COMMISSION

19 Salaries and expenses: For expenses necessary to carry
20 out the purposes of the Act of August 13, 1946 (25 U. S. C.
21 70), creating an Indian Claims Commission, \$111,020, of
22 which not to exceed \$2,845 shall be available for expenses
23 of travel.

1 INTERSTATE COMMERCE COMMISSION

2 General expenses: For expenses necessary in performing
3 the functions vested by law in the Commission (49 U. S. C.
4 1-24, 301-327, 901-923, 1001-1022), except those other-
5 wise specifically provided for in this Act, and for general
6 administration, including not to exceed \$5,000 for the em-
7 ployment of special counsel; contract stenographic reporting
8 services; newspapers (not to exceed \$200); and not to
9 exceed \$212,645 for expenses of travel; \$9,466,176, of
10 which \$100,000 shall be available for valuations of pipe
11 lines: *Provided*, That Joint Board members and cooperat-
12 ing State commissioners may use Government transportation
13 requests when traveling in connection with their duties as
14 such.

15 Railroad safety: For expenses necessary in performing
16 functions authorized by law (45 U. S. C. 1-15, 17-21,
17 35-46, 61-64; 49 U. S. C. 26) to insure a maximum of
18 safety in the operation of railroads, including authority to
19 investigate, test experimentally, and report on the use and
20 need of any appliances or systems intended to promote the
21 safety of railway operation, including those pertaining to
22 block-signal and train-control systems, as authorized by the
23 joint resolution approved June 30, 1906, and the Sundry
24 Civil Act of May 27, 1908 (45 U. S. C. 35-37), and to

1 require carriers by railroad subject to the Act to install auto-
2 matic train-stop or train-control devices as prescribed by the
3 Commission (49 U. S. C. 26), including the employment
4 of inspectors and engineers, and including not to exceed
5 \$163,050 for expenses of travel, \$974,500.

6 Locomotive inspection: For expenses necessary in the
7 enforcement of the Act of February 17, 1911, entitled "An
8 Act to promote the safety of employees and travelers upon
9 railroads by compelling common carriers engaged in inter-
10 state commerce to equip their locomotives with safe and
11 suitable boilers and appurtenances thereto", as amended
12 (45 U. S. C. 22-34), including not to exceed \$112,620
13 for expenses of travel, \$709,500.

14 INTERSTATE COMMISSION ON THE POTOMAC
15 RIVER BASIN

16 Contribution to Interstate Commission on the Potomac
17 River Basin: To enable the Secretary of the Treasury to
18 pay in advance to the Interstate Commission on the Potomac
19 River Basin the Federal contribution toward the expenses
20 of the Commission during the current fiscal year in the
21 administration of its business in the conservancy district
22 established pursuant to the Act of July 11, 1940 (54 Stat.
23 748), \$5,000.

1 NATIONAL ADVISORY COMMITTEE FOR
2 AERONAUTICS

3 Salaries and expenses: For necessary expenses of the
4 Committee, including one Director at not to exceed \$17,500
5 per annum so long as the position is held by the present
6 incumbent; contracts for the making of special investigations
7 and reports and for engineering, drafting and computing
8 services; equipment; not to exceed \$216,700 for expenses of
9 travel; maintenance and operation of aircraft; not to
10 exceed \$100 for newspapers and periodicals; and services as
11 authorized by section 15 of the Act of August 2, 1946
12 (5 U. S. C. 55a) ; \$52,988,050.

Construction and equipment: For construction and equipment at laboratories and research stations of the Committee, including the acquisition of not to exceed ten acres of land adjacent to the Lewis Flight Propulsion Laboratory, Cleveland, Ohio, \$7,239,000, to remain available until expended.

Construction and equipment (liquidation of contract au-
thorization) : For liquidation of obligations incurred pursu-
ant to authority heretofore granted under this head to enter
into contracts for construction and equipment, \$4,200,000.

23 NATIONAL CAPITAL HOUSING AUTHORITY

24 Maintenance and operation of properties: For the main-
25 tenance and operation of properties under title I of the Dis-

1 trict of Columbia Alley Dwelling Authority Act, \$43,000:
2 *Provided*, That all receipts derived from sales, leases, or
3 other sources shall be covered into the Treasury of the United
4 States monthly: *Provided further*, That so long as funds are
5 available from appropriations for the foregoing purposes, the
6 provisions of section 507 of the Housing Act of 1950 (Public
7 Law 475, Eighty-first Congress) shall not be effective.

8 NATIONAL CAPITAL PLANNING COMMISSION

9 Salaries and expenses: For necessary expenses, as
10 authorized by the National Capital Planning Act of 1952
11 (66 Stat. 781), including services as authorized by section
12 15 of the Act of August 2, 1946 (5 U. S. C. 55a) ; not to
13 exceed \$100 for the purchase of newspapers and periodicals;
14 not to exceed \$4,260 for expenses of travel; payment in
15 advance for membership in societies whose publications or
16 services are available to members only or to members at
17 a price lower than to the general public; and transportation
18 and not to exceed \$15 per diem in lieu of subsistence, as
19 authorized by section 5 of the Act of August 2, 1946
20 (5 U. S. C. 73b-2) , for members of the Commission serving
21 without compensation; \$97,915.

22 Land acquisition, National Capital park, parkway, and
23 playground system: Of unexpended funds available for land
24 acquisition purposes a total of not exceeding \$19,680 may
25 be used during the current fiscal year for necessary expenses

1 of the Commission (other than payments for land) in con-
2 nection with land acquisition.

3 NATIONAL SCIENCE FOUNDATION

4 Salaries and expenses: For expenses necessary to carry
5 out the purposes of the National Science Foundation Act of
6 1950 (42 U. S. C. 1861-1875), including award of gradu-
7 ate fellowships; services as authorized by section 15 of the
8 Act of August 2, 1946 (5 U. S. C. 55a), at rates not to
9 exceed \$50 per diem for individuals; hire of passenger motor
10 vehicles; not to exceed \$78,000 for expenses of travel;
11 not to exceed \$150 for the purchase of newspapers and
12 periodicals; and reimbursement of the General Services Ad-
13 ministration for security guard services; \$5,724,400, to
14 remain available until expended.

15 RENEGOTIATION BOARD

16 SALARIES AND EXPENSES

17 For necessary expenses of the Renegotiation Board, in-
18 cluding expenses of attendance at meetings concerned with
19 the purposes of this appropriation; hire of passenger motor
20 vehicles; not to exceed \$238,700 for expenses of travel; and
21 services as authorized by section 15 of the Act of August 2,
22 1946 (5 U. S. C. 55a), at rates not to exceed \$50 per
23 diem for individuals; \$5,192,800.

1 SECURITIES AND EXCHANGE COMMISSION

2 Salaries and expenses: For necessary expenses, includ-
3 ing not to exceed \$500 for the purchase of newspapers;
4 not to exceed \$104,170 for expenses of travel; and services
5 as authorized by section 15 of the Act of August 2, 1946
6 (5 U. S. C. 55a) ; \$5,245,080.

7 SMITHSONIAN INSTITUTION

8 Salaries and expenses, Smithsonian Institution: For all
9 necessary expenses for the preservation, exhibition, and in-
10 crease of collections from the surveying and exploring expe-
11 ditions of the Government and from other sources; for the
12 system of international exchanges between the United States
13 and foreign countries; for anthropological researches among
14 the American Indians and the natives of lands under the
15 jurisdiction or protection of the United States, independently
16 or in cooperation with State, educational, and scientific
17 organizations in the United States, and the excavation and
18 preservation of archeological remains; for maintenance of the
19 Astrophysical Observatory and making necessary observa-
20 tions in high altitudes; for the administration of the National
21 Collection of Fine Arts; for the administration, construc-
22 tion and maintenance, of laboratory and other facilities on
23 Barro Colorado Island, Canal Zone, under the provisions

1 of the Act of July 2, 1940, as amended by the provisions
2 of Reorganization Plan Numbered 3 of 1946; for the main-
3 tenance and administration of a national air museum as
4 authorized by the Act of August 12, 1946 (20 U. S. C. 77) ;
5 including not to exceed \$35,000 for services as authorized
6 by section 15 of the Act of August 2, 1946 (5 U. S. C. 55a) ;
7 not to exceed \$6,825 for expenses of travel; purchase, repair,
8 and cleaning of uniforms for guards and elevator conductors;
9 repairs and alterations of buildings and approaches; and
10 preparation of manuscripts, drawings, and illustrations for
11 publications; \$2,897,500.

12 Salaries and expenses, National Gallery of Art: For the
13 upkeep and operation of the National Gallery of Art, the
14 protection and care of the works of art therein, and admin-
15 istrative expenses incident thereto, as authorized by the Act
16 of March 24, 1937 (50 Stat. 51) , as amended by the public
17 resolution of April 13, 1939 (Public Resolution 9, Seventy-
18 sixth Congress) , including services as authorized by section
19 15 of the Act of August 2, 1946 (5 U. S. C. 55a) ; pay-
20 ment in advance when authorized by the treasurer of the
21 Gallery for membership in library, museum, and art associa-
22 tions or societies whose publications or services are available
23 to members only, or to members at a price lower than to the
24 general public; purchase, repair, and cleaning of uniforms
25 for guards and elevator operators; purchase or rental of de-

1 vices and services for protecting buildings and contents there-
2 of, and maintenance and repair of buildings, approaches, and
3 grounds; not to exceed \$1,600 for expenses of travel;
4 and not to exceed \$15,000 for restoration and repair of
5 works of art for the National Gallery of Art by contracts
6 made, without advertising, with individuals, firms, or organ-
7 izations at such rates or prices and under such terms and con-
8 ditions as the Gallery may deem proper; \$1,275,000.

9 SUBVERSIVE ACTIVITIES CONTROL BOARD

10 Salaries and expenses: For necessary expenses of the
11 Subversive Activities Control Board, including services as
12 authorized by section 15 of the Act of August 2, 1946
13 (5 U. S. C. 55a), not to exceed \$10,000 for expenses of
14 travel, and not to exceed \$100 for the purchase of
15 newspapers and periodicals, \$200,000, without regard to
16 the provisions of subsection (c) of section 3679 of the Re-
17 vised Statutes, as amended.

18 TARIFF COMMISSION

19 Salaries and expenses: For necessary expenses of the
20 Tariff Commission, including subscriptions to newspapers
21 (not to exceed \$200), not to exceed \$11,335 for expenses
22 of travel, and contract stenographic reporting services as
23 authorized by section 15 of the Act of August 2, 1946
24 (5 U. S. C. 55a), \$1,291,375: *Provided*, That no part
25 of this appropriation shall be used to pay the salary of any

1 member of the Tariff Commission who shall hereafter par-
2 ticipate in any proceedings under sections 336, 337, and 338
3 of the Tariff Act of 1930, wherein he or any member of his
4 family has any special, direct, and pecuniary interest, or in
5 which he has acted as attorney or special representative.

6 THE TAX COURT OF THE UNITED STATES

7 Salaries and expenses: For necessary expenses, includ-
8 ing contract stenographic reporting services and not to ex-
9 ceed \$40,000 for travel expenses, \$970,000: *Provided*, That
10 travel expenses of the judges shall be paid upon the written
11 certificate of the judge.

12 WAR CLAIMS COMMISSION

13 PAYMENT OF CLAIMS

14 For payment of claims, as authorized by the War Claims
15 Act of 1948, as amended, from funds deposited in the Treas-
16 ury to the credit of the war claims fund created by section
17 13 (a) of said Act, such sums as may be necessary, to be
18 available to the Secretary of the Treasury for payment of
19 claims under sections 4 (a), 4 (b) (2), 5 (a) through (e),
20 6, and 7 of said Act to the payees named and in the amounts
21 stated in certifications by the War Claims Commission and
22 the Secretary of Labor or their duly authorized representa-
23 tives, which certifications shall be in lieu of any vouchers
24 which might otherwise be required: *Provided*, That this ap-
25 propriation shall not be available for administrative expenses:

1 *Provided further*, That no claims shall be allowed or paid
2 under the provisions of said War Claims Act of 1948 from
3 any funds other than those covered into the Treasury pur-
4 suant to the provisions of section 39 of the Trading With the
5 Enemy Act of October 6, 1917, as amended, as provided by
6 section 13 (a) of said War Claims Act of 1948.

7 ADMINISTRATIVE EXPENSES

8 For expenses necessary for the War Claims Commission,
9 including services as authorized by section 15 of the Act
10 of August 2, 1946 (5 U. S. C. 55a); expenses of attend-
11 ance at meetings concerned with the purposes of this appro-
12 priation; not to exceed \$5,000 for expenses of travel;
13 and advances or reimbursements to other Government agen-
14 cies for use of their facilities and services in carrying out
15 the functions of the Commission; \$750,000, to be derived
16 from the war claims fund created by section 13 (a) of the
17 War Claims Act of 1948 (Public Law 896, approved July
18 3, 1948).

19 INDEPENDENT OFFICES—GENERAL PROVISIONS

20 SEC. 102. Where appropriations in this title are ex-
21 pendable for travel expenses of employees and no specific
22 limitation has been placed thereon, the expenditures for
23 such travel expenses may not exceed the amount set forth
24 therefor in the budget estimates submitted for the appro-
25 priations.

1 SEC. 103. Where appropriations in this title are expend-
2 able for the purchase of newspapers and periodicals and no
3 specific limitation has been placed thereon, the expenditures
4 therefor under each such appropriation may not exceed the
5 amount of \$50: *Provided*, That this limitation shall not apply
6 to the purchase of scientific, technical, trade, or traffic periodi-
7 cals necessary in connection with the performance of the
8 authorized functions of the agencies for which funds are
9 herein provided.

10 SEC. 104. No part of any appropriation contained in this
11 title shall be available to pay the salary of any person filling
12 a position, other than a temporary position, formerly held
13 by an employee who has left to enter the Armed Forces of
14 the United States and has satisfactorily completed his period
15 of active military or naval service and has within ninety days
16 after his release from such service or from hospitalization
17 continuing after discharge for a period of not more than one
18 year made application for restoration to his former position
19 and has been certified by the Civil Service Commission as
20 still qualified to perform the duties of his former position and
21 has not been restored thereto.

22 SEC. 105. Appropriations contained in this title, avail-
23 able for expenses of travel shall be available, when spe-
24 cifically authorized by the head of the activity or establish-
25 ment concerned, for expenses of attendance at meetings of

1 organizations concerned with the function or activity for
2 which the appropriation concerned is made: *Provided*, That
3 appropriations contained in this title shall be available for the
4 examination of estimates of appropriations and activities in
5 the field without regard to limitations on travel contained in
6 such appropriations.

7 SEC. 106. No part of any appropriations made available
8 by the provisions of this title shall be used for the purchase
9 or sale of real estate or for the purpose of establishing new
10 offices outside the District of Columbia: *Provided*, That this
11 limitation shall not apply to programs which have been
12 approved by the Congress and appropriations made therefor.

13 SEC. 107. No part of any appropriation contained in this
14 title shall be used to pay the compensation of any employee
15 engaged in personnel work in excess of the number that
16 would be provided by a ratio of one such employee to one
17 hundred and thirty-five, or a part thereof, full-time, part-time,
18 and intermittent employees of the agency concerned: *Pro-*
19 *vided*, That for purposes of this section employees shall be
20 considered as engaged in personnel work if they spend half
21 time or more in personnel administration consisting of direc-
22 tion and administration of the personnel program; employ-
23 ment, placement, and separation; job evaluation and clas-
24 sification; employee relations and services; training; wage
25 administration; and processing, recording, and reporting.

1 SEC. 108. None of the sections under the head “In-
2 dependent offices, General provisions” in this title shall apply
3 to the Housing and Home Finance Agency.

4 TITLE II—CORPORATIONS

5 The following corporations and agencies, respectively,
6 are hereby authorized to make such expenditures, within the
7 limits of funds and borrowing authority available to each such
8 corporation or agency and in accord with law, and to make
9 such contracts and commitments without regard to fiscal year
10 limitations as provided by section 104 of the Government
11 Corporation Control Act, as amended, as may be necessary
12 in carrying out the programs set forth in the Budget for the
13 fiscal year 1954 for each such corporation or agency, except
14 as hereinafter provided:

15 HOUSING AND HOME FINANCE AGENCY

16 Federal National Mortgage Association: Not to exceed
17 \$2,300,000 shall be available for administrative expenses,
18 which shall be on an accrual basis, and shall be exclusive
19 of interest paid, depreciation, properly capitalized ex-
20 penditures, fees for servicing mortgages, expenses (includ-
21 ing services performed on a force account, contract, or fee
22 basis, but not including other personal services) in connec-
23 tion with the acquisition, protection, operation, maintenance,
24 improvement, or disposition of real or personal property be-
25 longing to said Association or in which it has an interest, cost

1 of salaries, wages, travel, and other expenses of persons
2 employed outside of the continental United States, expenses
3 of services performed on a contract or fee basis in connection
4 with the performance of legal services, and all administrative
5 expenses reimbursable from other Government agencies; and
6 said Association may utilize and may make payment for
7 services and facilities of the Federal Reserve banks and other
8 agencies of the Government: *Provided*, That the distribution
9 of administrative expenses to the accounts of the Association
10 shall be made in accordance with generally recognized
11 accounting principles and practices: *Provided further*, That
12 not to exceed \$95,750 shall be available for expenses of
13 travel: *Provided further*, That administrative expenses not
14 under limitation for the purposes set forth in the budget
15 schedules for the fiscal year 1954 shall not exceed \$151,000.

16 Office of the Administrator (housing loan programs):
17 Not to exceed \$411,250 shall be available for all administra-
18 tive expenses, which shall be on an accrual basis, of carrying
19 out the functions of the Office of the Administrator under the
20 program of housing loans to educational institutions (title
21 IV of the Housing Act of 1950, 12 U. S. C. 1749-1749d),
22 the prefabricated housing program (sections 102, 102a,
23 102b, and 102c of the Housing Act of 1948, as amended,
24 12 U. S. C. 1701g-1701g-3), and the Alaska housing pro-
25 gram (sections 3, 4, and 5 of the Alaska Housing Act, as

1 amended, 48 U. S. C. 484, 484a, and 484b), but this
2 amount shall be exclusive of costs of services performed on
3 a contract or fee basis in connection with termination of
4 contracts and legal services on a contract or fee basis and
5 of payment for services and facilities of the Federal Reserve
6 banks or any member thereof, the Federal home-loan banks,
7 and any insured bank within the meaning of the Act creating
8 the Federal Deposit Insurance Corporation (Act of August
9 23, 1935, as amended, 12 U. S. C. 264) which has been
10 designated by the Secretary of the Treasury as a depository
11 of public money of the United States: *Provided*, That not
12 to exceed \$26,330 shall be available for expenses of travel.

13 Home Loan Bank Board: Not to exceed a total of
14 \$775,000 shall be available for administrative expenses of
15 the Home Loan Bank Board, and shall be derived from
16 funds available to the Home Loan Bank Board, includ-
17 ing those in the Home Loan Bank Board revolving fund
18 and receipts of the Federal Home Loan Bank Administra-
19 tion, the Federal Home Loan Bank Board, or the
20 Home Loan Bank Board for the current fiscal year
21 and prior fiscal years, and the Board may utilize and
22 may make payment for services and facilities of the Federal
23 home-loan banks, the Federal Reserve banks, the Federal
24 Savings and Loan Insurance Corporation, and other agencies
25 of the Government: *Provided*, That all necessary expenses

1 in connection with the conservatorship of institutions insured
2 by the Federal Savings and Loan Insurance Corporation and
3 all necessary expenses (including services performed on a
4 contract or fee basis, but not including other personal serv-
5 ices) in connection with the handling, including the pur-
6 chase, sale, and exchange, of securities on behalf of Federal
7 home-loan banks, and the sale, issuance, and retirement of,
8 or payment of interest on, debentures or bonds, under the
9 Federal Home Loan Bank Act, as amended, shall be con-
10 sidered as nonadministrative expenses for the purposes
11 hereof: *Provided further*, That not to exceed \$20,000
12 shall be available for expenses of travel: *Provided further*,
13 That notwithstanding any other provisions of this Act,
14 except for the limitation in amount hereinbefore speci-
15 fied, the administrative expenses and other obligations of the
16 Board shall be incurred, allowed, and paid in accordance
17 with the provisions of the Federal Home Loan Bank Act
18 of July 22, 1932, as amended (12 U. S. C. 1421-1449) :
19 *Provided further*, That the nonadministrative expenses for
20 the examination of Federal and State chartered institutions
21 shall not exceed \$2,085,000.

22 Federal Savings and Loan Insurance Corporation: Not
23 to exceed \$455,000 shall be available for adminis-
24 trative expenses, which shall be on an accrual basis and
25 shall be exclusive of interest paid, depreciation, properly

1 capitalized expenditures, expenses in connection with liqui-
2 dation of insured institutions, liquidation or handling of assets
3 of or derived from insured institutions, payment of insurance,
4 and action for or toward the avoidance, termination, or
5 minimizing of losses in the case of insured institutions,
6 legal fees and expenses, and payments for administrative
7 expenses of the Home Loan Bank Board determined by said
8 Board to be properly allocable to said Corporation, and said
9 Corporation may utilize and may make payment for services
10 and facilities of the Federal home-loan banks, the Federal
11 Reserve banks, the Home Loan Bank Board, and other
12 agencies of the Government: *Provided*, That not to exceed
13 \$4,370 shall be available for expenses of travel: *Provided*
14 *further*, That notwithstanding any other provisions of this
15 Act, except for the limitation in amount hereinbefore speci-
16 fied, the administrative expenses and other obligations of
17 said Corporation shall be incurred, allowed and paid in
18 accordance with title IV of the Act of June 27, 1934, as
19 amended (12 U. S. C. 1724-1730).

20 Expenses, liquidation of Home Owners' Loan Corpo-
21 ration: Not to exceed \$10,000 of the unobligated balance
22 remaining of funds made available under this head in the
23 Independent Offices Appropriation Act, 1952, is hereby
24 continued available until October 31, 1953.

25 Federal Housing Administration: In addition to the

1 amounts available by or pursuant to law (which shall be
2 transferred to this authorization) for the administrative ex-
3 penses of the Federal Housing Administration in carrying
4 out duties imposed by or pursuant to law, not to exceed
5 \$5,045,590 of the various funds of the Federal Housing
6 Administration shall be available for expenditure, in
7 accordance with the National Housing Act, as amended
8 (12 U. S. C. 1701): *Provided*, That, except as herein
9 otherwise provided, all expenses and obligations of
10 said Administration shall be incurred, allowed, and paid in
11 accordance with the provisions of said Act: *Provided fur-*
12 *ther*, That not to exceed \$131,000 shall be available for
13 expenses of travel: *Provided further*, That funds avail-
14 able for expenditure shall be available for contract actuarial
15 services (not to exceed \$1,500) ; and purchase of periodicals
16 and newspapers (not to exceed \$500) ; *Provided further*,
17 That expenditures for nonadministrative expenses classified
18 by section 2 of Public Law 387, approved October 25, 1949,
19 shall not exceed \$27,500,000: *Provided further*, That the
20 position of Assistant Commissioner, established pursuant to
21 section 213 (f) of the National Housing Act, as amended,
22 is no longer authorized.

23 Public Housing Administration: Of the amounts availa-
24 ble by or pursuant to law for the administrative expenses of
25 the Public Housing Administration in carrying out duties

1 imposed by or pursuant to law including funds appropriated
2 by title I of this Act and funds appropriated under the head
3 “Defense Housing” not to exceed \$8,973,000 shall be
4 available for such expenses, including not to exceed
5 \$685,300 for expenses of travel; and expenses of attend-
6 ance at meetings of organizations concerned with the work
7 of the Administration: *Provided*, That necessary expenses of
8 providing representatives of the Administration at the sites
9 of non-Federal projects in connection with the construction
10 of such non-Federal projects by public housing agencies with
11 the aid of the Administration, shall be compensated by such
12 agencies by the payment of fixed fees which in the aggregate
13 in relation to the development costs of such projects will
14 cover the costs of rendering such services, and expenditures
15 by the Administration for such purpose shall be considered
16 nonadministrative expenses, and funds received from such
17 payments may be used only for the payment of necessary
18 expenses of providing representatives of the Administration
19 at the sites of non-Federal projects: *Provided further*,
20 That all expenses of the Public Housing Administration
21 not specifically limited in this Act, in carrying out its
22 duties imposed by or pursuant to law, shall not exceed
23 \$35,962,600: *Provided further*, That not to exceed \$15,000

1 of funds made available by the Act of June 29, 1936 (49
2 Stat. 2035) shall be available for necessary expenses, includ-
3 ing administrative expenses, of the Public Housing Admin-
4 istration in carrying out the provisions of the Act of May
5 19, 1949 (Public Law 65) : *Provided further*, That during
6 the fiscal year 1954 the Commissioner shall make every
7 effort to refund all local bonds held by the Public Housing
8 Administration under the United States Housing Act of 1937,
9 as amended.

10 CORPORATIONS—GENERAL PROVISIONS

11 SEC. 202. No part of the funds of, or available for expen-
12 diture by, any corporation or agency included in this title
13 shall be used to pay the compensation of any employee
14 engaged in personnel work in excess of the number that
15 would be provided by a ratio of one such employee to one
16 hundred and thirty-five, or a part thereof, full-time, part-
17 time, and intermittent employees of the agency concerned:
18 *Provided*, That for purposes of this section employees shall
19 be considered as engaged in personnel work if they spend
20 half-time or more in personnel administration consisting of
21 direction and administration of the personnel program;
22 employment, placement, and separation; job evaluation and
23 classification; employee relations and services; training; com-

1 mittees of expert examiners and boards of civil-service
2 examiners; wage administration; and processing, recording,
3 and reporting.

4 TITLE III—GENERAL PROVISIONS

5 SEC. 301. No part of any appropriation contained in
6 this Act, or of the funds available for expenditure by any
7 corporation included in this Act, shall be used to pay the
8 salary or wages of any person who engages in a strike
9 against the Government of the United States or who is a
10 member of an organization of Government employees that
11 asserts the right to strike against the Government of the
12 United States, or who advocates, or is a member of an
13 organization that advocates, the overthrow of the Govern-
14 ment of the United States by force or violence: *Provided*,
15 That for the purposes hereof an affidavit shall be considered
16 prima facie evidence that the person making the affidavit
17 has not contrary to the provisions of this section engaged in
18 a strike against the Government of the United States, is
19 not a member of an organization of Government employees
20 that asserts the right to strike against the Government of the
21 United States, or that such person does not advocate, and is
22 not a member of an organization that advocates, the over-
23 throw of the Government of the United States by force or
24 violence: *Provided further*, That any person who engages
25 in a strike against the Government of the United States

1 or who is a member of an organization of Government
2 employees that asserts the right to strike against the Govern-
3 ment of the United States, or who advocates, or who is a
4 member of an organization that advocates, the overthrow
5 of the Government of the United States by force or violence
6 and accepts employment the salary or wages for which are
7 paid from any appropriation or fund contained in this Act
8 shall be guilty of a felony and, upon conviction, shall be
9 fined not more than \$1,000 or imprisoned for not more than
10 one year, or both: *Provided further*, That the above penalty
11 clause shall be in addition to, and not in substitution for, any
12 other provisions of existing law.

13 SEC. 302. No part of any appropriation contained in
14 this Act, or of the funds available for expenditure by any
15 corporation or agency included in this Act, shall be used for
16 publicity or propaganda purposes designed to support or
17 defeat legislation pending before the Congress.

18 SEC. 303. (a) No part of the money appropriated by
19 this Act to any department, agency, or corporation or made
20 available for expenditure by any department, agency, or
21 corporation which is in excess of 75 per centum of the
22 amount required to pay the compensation of all persons
23 the budget estimates for personal services heretofore sub-
24 mitted to the Congress for the fiscal year 1954 contemplated

1 would be employed by such department, agency, or
2 corporation during such fiscal year in the performance of—

3 (1) functions performed by a person designated as
4 an information specialist, information and editorial
5 specialist, publications and information coordinator, press
6 relations officer or counsel, photographer, radio expert,
7 television expert, motion picture expert, or publicity ex-
8 pert, or designated by any similar title, or

9 (2) functions performed by persons who assist
10 persons performing the functions described in (1) in
11 drafting, preparing, editing, typing, duplicating, or dis-
12 seminating public information publications or releases,
13 radio or television scripts, magazine articles, photographs,
14 motion pictures, and similar material,

15 shall be available to pay the compensation of persons per-
16 forming the functions described in (1) or (2).

17 (b) This section shall not apply: To persons employed
18 by the General Services Administration in the performance
19 of functions or related assisting or supporting functions in
20 connection with the publication of the Federal Register, or
21 to persons engaged in functions of the Civil Service Com-
22 mission related to (1) the preparation and issuance of ma-
23 terials relating to the recruitment of personnel for the Federal
24 service, and (2) the compilation of the Official Register of
25 the United States, or to any department, agency, or corpora-

1 tion which does not employ more than two persons at any
2 one time in the performance of functions described in para-
3 graphs (1) or (2) of subsection (a) of this section.

4 SEC. 304. This Act may be cited as the "First Inde-
5 pendent Offices Appropriation Act, 1954".

Passed the House of Representatives April 22, 1953.

Attest:

LYLE O. SNADER,
Clerk.

AN ACT

Making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1954, and for other purposes.

APRIL 23 (legislative day, APRIL 6), 1953

Read twice and referred to the Committee on
Appropriations



United States
of America

Congressional Record

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Vol. 99

WASHINGTON, WEDNESDAY, APRIL 22, 1953

No. 71

House of Representatives

The House met at 10 o'clock a. m.

The Chaplain, Rev. Bernard Braskamp, D. D., offered the following prayer:

Almighty and ever-gracious God, we are again directing our thoughts toward Thee in the sacred attitude of prayer, constrained and compelled by deep longings and instincts which Thou alone canst satisfy.

Show us how we may intensify and cultivate our desires for a more intimate communion with Thy divine spirit and may our minds be illumined with wisdom and our hearts be warmed with love.

Grant that the closing hours of each day may be hallowed with the blessed memory that we have revered Thy laws and have kept our characters inviolate.

May no evening hour be filled with vain regrets but may we have within our souls the joyous testimony that we have performed our duties faithfully and have shared in the glorious task of making the struggle of life less difficult for needy humanity.

Hear us in Christ's name. Amen.

THE JOURNAL

The Journal of the proceedings of yesterday was read and approved.

LEAVE OF ABSENCE

Mr. MACHROWICZ. Mr. Speaker, I ask unanimous consent that I may be excused from attending the session of the House tomorrow and for the balance of the week to attend official business of the House outside of Washington.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

CALL OF THE HOUSE

Mr. SHEEHAN. Mr. Speaker, make the point of order that a quorum is not present.

The SPEAKER. Obviously a quorum is not present.

Mr. JONAS of North Carolina. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 26]

Abbitt	Dawson, Ill.	Knox
Barrett	Dawson, Utah	McCarthy
Blatnik	Dingell	Moulder
Brooks, La.	Donovan	O'Konski
Brown, Ohio	Edmondson	Patman
Byrne, Pa.	Hart	Rabaut
Celler	Hill	Regan
Chelf	Howell	Riley
Clevenger	Hruska	Roosevelt
Condon	Hull	Staggers
Dague	Karsten, Mo.	Steed
Davis, Tenn.	Kluczynski	Withers

The SPEAKER. On this roll call 389 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

CORRECTION OF RECORD

Mr. PHILLIPS. Mr. Speaker, in my comments yesterday appearing on page 3549 of the RECORD, column 2, line 6, I said "We said this extra amount had not been requested of us." The printer left out the word "not." It makes a slight difference, Mr. Speaker.

Also, in my remarks appearing in the Appendix the figure "\$110 million" was used by the printer instead of "\$10 million." I suppose he thought we do not deal in such small sums as \$10 million.

Mr. Speaker, I ask unanimous consent that these corrections be made in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

FIRST INDEPENDENT OFFICES APPROPRIATION BILL, 1954

Mr. PHILLIPS. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H. R. 4663) making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1954, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill H. R. 4663, with Mr. BETTS in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. When the Committee rose on yesterday the Clerk had read the first paragraph of the bill. The Clerk will read the bill for amendment.

The Clerk read as follows:

Annuities, Panama Canal construction employees and Lighthouse Service widows: For payment of annuities authorized by the act of May 29, 1944, as amended (48 U. S. C. 1373a), and the act of August 19, 1950 (64 Stat. 465), \$2,500,000.

Mr. MILLER of California. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. MILLER of California: On page 9, after line 9, insert the following new paragraph:

"Payment to the civil-service retirement and disability fund: For financing the liability of the United States, created by the act approved May 22, 1920, and acts amendatory thereof (5 U. S. C. ch. 14), \$368,154,000, which amount shall be placed to the credit of the 'civil-service retirement and disability fund.'"

Mr. MILLER of California. Mr. Chairman, this amendment seeks to restore to the bill the obligation of the Federal Government toward its civil-service employees. Under the provision of the Retirement Act 6 percent is deducted from the salaries of all Federal employees, incidentally, including Members of Congress, and this money is to be met by a sum put up by the Federal Government. This combined sum, together with the interest on it, makes up the civil-service retirement and disability fund. It is the backlog out of which is paid the annuities as they become due on civil-service workers. Under the provisions of this bill we have failed to appropriate money for this purpose and what I seek to do is to return to the bill the sum of money recommended by the President for this purpose. It means: Are we going to run out on the obligation to civil-service workers?

Mr. PASSMAN. Mr. Chairman, will the gentleman yield?

Mr. MILLER of California. I yield.

Mr. PASSMAN. Do I understand the provisions of our Social Security Act provides that an employee puts up a certain amount of money and the employer puts up a certain amount and that creates a trust fund to pay for these pensions?

Mr. MILLER of California. That is right.

Mr. PASSMAN. And under the civil service the civil-service employee puts up a certain amount of money and the Government puts up a certain amount of matching funds to take care of these pensions?

Mr. MILLER of California. That is right.

Mr. PASSMAN. So in effect you are not really saving any money by withdrawing this amount to pay these annuities, are you?

Mr. MILLER of California. You are not saving any money. All we are doing is deferring obligated payments charged to this fund in an effort to make a showing of a saving which is entirely a false saving and is a phony if there ever was one.

Mr. Chairman, what this is going to do is create in the minds of loyal civil-service employees a question of whether the Government is going to keep faith with them and already many of them are wondering what is happening to this fund. Why there is not an insurance company in this country which if it tried to do what the Congress of the United States is trying to do would not have its officers go to jail. It is a direct violation both morally and legally of every principle of justice. The peak of withdrawals in this fund will be reached in about 10 years and unless some money is put in to cushion the payments then some future Congress is going to have to meet an unbearable load or the Government must default and violate its contract with its civil employees.

Mr. ALBERT. Mr. Chairman, will the gentleman yield?

Mr. MILLER of California. I yield to the gentleman from Oklahoma.

Mr. ALBERT. I should like to ask the gentleman what would be the effect if the Congress had to make a lump-sum appropriation during some period of depression.

Mr. MILLER of California. The effect would be they would either have to do it, which would be quite difficult, or the Government would have to default on its payment to its retired employees, and break faith and violate the contract it has with the employees.

Mr. SEELY-BROWN. Mr. Chairman, will the gentleman yield?

Mr. MILLER of California. I yield to the gentleman from Connecticut.

Mr. SEELY-BROWN. Would the gentleman advise us as to what happens to the money which is paid into the fund right now?

Mr. MILLER of California. It is placed there in reserve for this purpose, and while it may be lent out at interest to the Government, nevertheless, the stability of the Government is back of it and the fund is there and we do not have to worry.

The matter of funding the Government's obligation has been in controversy for some time. At the present time an investigation is under way by appropriate committee of the Congress.

To my way of thinking this is the worst type of legislation by rider. We completely bypass the proper legislative committees of the House and Senate which should study this matter. The two Post Office and Civil Service Committees know this problem. They have long lived it and are best equipped to deal with it. While this investigation is under way at least, this fund should be maintained in accordance with law. The whole matter is one of breaking faith with loyal public employees, and it represents no saving whatsoever to the Government. Let us not try to fool the people.

The CHAIRMAN. The time of the gentleman from California has expired.

Mr. PHILLIPS. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, during the discussion yesterday this matter was discussed at some length, and the facts regarding both the law and the actuarial side of the argument were gone into thoroughly. If the Members of the House will refer to the CONGRESSIONAL RECORD of yesterday, they will see the arguments and the questions, and I think they will agree that this amendment should be defeated.

In reply to a question, the gentleman from California [Mr. MILLER] inadvertently replied that this was a matching fund. It is a fund which requires 6 percent from the employees but does not require a matching percentage, under the amended law, from the Government. It requires the Federal Government to see that the money is there to pay for retirement benefits. There is no question about that. There is no question about the obligation of the Federal Government, and there is no question that eventually, as more and more people go into retirement, the Federal Government will be called upon to pay every year in its budget the amount of money required for retirement. That is the way a government should operate. No government can operate, no government should operate, on the basis of attempting to pile up an actuarially sound trust fund, because there is no such thing in government. The Government maintains its own trust fund. Industry puts the trust fund in the hands of an outside trustee. Government cannot do that.

There are 2 items in the gentleman's amendment, the first one calling for \$192 million for interest.

The \$192 million is interest upon a hypothetical fund which we do not have, which we are not expected to have, but which an actuary says we ought to have if this were an industry and were creating a fund from which people could be paid off if and when the industry closed. There is no reason why we should vote that.

The \$176 million is not a hypothetical fund but is a contribution to an actual fund, not based on any legal requirement, but only on the fact that we have been paying something into the fund every year, merely to sweeten it.

The argument was made yesterday, as I said, and it was discussed thoroughly, and I think the majority of the Members of the House will agree that since we are paying more money into the fund every year than we take out, and will continue to do that for several years to come, we should not accumulate a fund in the hands of the Government which requires only that bonds be issued upon it, that the money be used for other purposes and that the taxpayers be required to pay what I think is an unnecessary amount of interest.

I ask for a "no" vote upon the amendment.

Mr. THOMPSON of Louisiana. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, I am going to support this amendment and ask that the membership of this body consider the rights of employees of our Government. I was a State Government employee in Louisiana for over 18 years. In Louisiana, it took us 14 years to get a retirement system for public employees. I know the same situation is true in Louisiana as it is with Federal employees. We are in constant competition with private industry in trying to retain competent and loyal public servants. One of the few attractions a Government employee has in remaining in the employ of our departments is his right of retirement under the civil-service retirement plan. It is an accomplished fact that the only sound retirement plan is one which is actuarially based and having at all times sufficient funds in reserve to offset its obligations. If these funds are not made available and placed to the credit of the retirement plan, we will no longer have a sound retirement system, but merely a policy to pay retirement benefits which could easily in future days be based on the whim of Congress as to whether or not proper payments would be made to retired employees.

No economy is effected by the cutting of this appropriation. Actually, if the Federal Government and the Congress are in good faith, as I am sure they are, the obligation is still existent, whether this appropriation is made or not. What is to be gained by building up the indebtedness of the Government in this instance? I am afraid that the publicity given to this cut will indicate to our constituents that this amount of money has been saved, when, actually, it will merely be a procedure of putting off the inevitable and in the future, similar appropriations will have to be made in cumulative amounts so large as to embarrass Congress. I ask in all sincerity that this body not break faith with public employees. They are the unsung heroes in any administration. The success or failure of any program depends largely upon the proper administration by qualified employees and, certainly, it is only fair that they be given what is rightfully theirs.

Failure to appropriate funds for this purpose places the retirement system of Federal employees in a position of operating under a philosophy that would never be allowed by law in the case of private insurance companies or other re-

tiement plans for employees of private industry.

(Mr. THOMPSON of Louisiana asked and was given permission to revise and extend his remarks.)

Mr. THOMAS. Mr. Chairman, I rise in opposition to the pro forma amendment.

The CHAIRMAN. The gentleman from Texas is recognized.

Mr. PHILLIPS. Mr. Chairman, will the gentleman yield for a consent request?

Mr. THOMAS. I yield.

Mr. PHILLIPS. Mr. Chairman, I ask unanimous consent that all debate close in 15 minutes.

Mr. RAYBURN. The gentleman from Texas already has the floor and has been recognized for 5 minutes. The time will run after that.

Mr. THOMAS. Does the gentleman from California intend to limit debate to this amendment and all amendments thereto, and to this paragraph?

Mr. PHILLIPS. That is correct.

The CHAIRMAN. The gentleman from California asks unanimous consent that all debate on this paragraph and all amendments thereto close in 15 minutes. Is there objection?

There was no objection.

Mr. THOMAS. Mr. Chairman, I am not sure I can add anything to what has already been said, but I think I should say that we recognize there are two routes that can be pursued with reference to this civil service retirement fund. I disagree with our beloved chairman in the route that he is following, but I shall go along with the committee on the theory that the legislative committee and this subcommittee will give intensive study to this proposition before next year's bill comes in.

Here are the facts: The Bureau of the Budget sent an estimate in round figures of about \$368 million to be added to the fund this year.

Our committee, with the idea of taking another look at it in cooperation with the legislative committee, decided that during this time we should strike it out and finally come up with the correct answer, I hope a final answer, next year. But as of today this fund has a total liability of, in round figures, \$10 billion. For the last 15 years this Government has been expanding, we all know that, and as of today you have nearly 2,500,000 employees who are participating in this plan. Your assets are about \$5,100,000,000, leaving a deficit of about \$4,900,000,000. There is not an insurance company in the United States that could keep its doors open 12 hours if its fiscal affairs were in the same shape as this civil service retirement fund.

Who put up that \$5,100,000,000 in assets? I do not have the exact information, and I doubt if there is anyone on the floor who does, I doubt if the Civil Service Commission has the correct answer yet, but it is my guess, and I think it is a pretty good one, that the Federal employees have put up at least 3½ billion dollars of that \$5,100,000,000. This much is certain: You cannot keep on taking from this fund without put-

ting something in it, and at the same time keep it solvent.

My distinguished friend from California, a member of the legislative committee, pointed that out very carefully, but I call his attention to the fact that his very able and distinguished committee last year depleted this fund to the tune of \$27 million and you did not put one red cent back in. That was when he brought out a bill increasing the annuities of the presently retired people, which I voted for. I thought they were entitled to it. But you certainly should have put the money back in or authorized the Appropriations Committee to do it because you weakened it \$27 million last year and now there comes along our Appropriations Committee and we are weakening it to the tune of \$368 million.

Mr. MILLER or California. Mr. Chairman, will the gentleman yield?

Mr. THOMAS. I yield to the gentleman from California.

Mr. MILLER of California. May I say that although I am no longer on the legislative committee, I accept my share of the responsibility for making that recommendation.

Mr. THOMAS. I accept my part, too, I am just bringing it out.

Mr. MILLER of California. Should the opportunity arise perhaps to take care of some of these old annuitants again I am perfectly willing to vote for it.

Mr. THOMAS. We can do like this for a year or two, but it is far better to put in \$300 million or \$250 million a year every year and finally get this fund solvent. If you do not, what is your alternative? Just as sure as we are all sitting here it is only a matter of a few years until this Government digs down for \$1,800,000,000 or \$2 billion or \$1,500,000,000; and when that time comes you are going to have to dig down in your taxpayers' pockets for not one but maybe 4 or 5 years hand running to the tune of \$1 billion a year.

It is immaterial what you do this year, but I certainly hope next year we will hit the nail on the head and do it just exactly like it ought to be done.

The CHAIRMAN. The Chair recognizes the gentleman from Kansas [Mr. REES].

Mr. REES of Kansas. Mr. Chairman, I am concerned over the implications of the action of the Appropriations Committee in deleting the request of the Civil Service Commission for funds to meet the Government's obligation to the civil-service retirement fund. I want to make crystal clear the implications of this action and to make certain that the managers of this bill on both sides of the House are aware of what they are doing.

Last year our committee considered legislation granting a cost-of-living increase to retired Federal employees. The Chairman of the Civil Service Commission testified at that time before our committee that the liabilities of the civil-service retirement fund exceeded its assets by more than \$4,800,000,000. We were concerned about that situation and

took action to preserve the integrity of the fund.

We provided in that legislation that the fund would stand the cost of these temporary increases proposed in that bill for 1 year, but to continue them for the second and third years would be dependent upon the necessary appropriations. Our action, under those circumstances, was to assure that we did not reduce the actuarial soundness of the retirement fund. Now, oddly enough, we find the Appropriations Committee recommending the amount of \$31,397,000, representing the cost of the increases for those retired employees under Public Law 555 for the next fiscal year, but deleting the request for \$192 million covering the payment on interest on the retirement fund and \$176,139,000 representing the Government's share of payments into the fund for fiscal year 1954.

I desire to caution the House that this recommendation represents a complete change of policy from a sound fund theory for our civil-service retirement as against the theory of making appropriations to meet the payments on annuities as they come due.

If we go from a sound fund theory of a civil-service retirement, it will be extremely difficult to hold back the requests, many of which have merit, for liberalization in the retirement system.

The position of the Appropriations Committee in providing the funds for the temporary increase, when compared with their action in their failure to provide the much greater Federal contributions to the fund, indicates they could not resist these pressures. No one can challenge my consistent record for economy in the Congress but cutting an appropriation to the civil-service retirement fund is not an economy. It is merely postponing the day of reckoning.

The Appropriations Committee report recognizes that a study of the retirement fund is being made as a result of action by our committee. I believe this is a change of policy with respect to the Federal contributions which should certainly have waited until that study by a committee composed of the Chairman, who was appointed by the President and, ex officio, the Secretary of the Treasury, the Secretary of Defense, the Chairman of the Board of Governors of the Federal Reserve System, the Director of the Bureau of the Budget, and the Chairman of the Civil Service Commission, has had a chance to make its report.

Our committee has before it 37 bills increasing retirement benefits. We have not scheduled any action on these bills pending the report of the committee on retirement policy. The Bureau of the Budget reported to me just a few days ago on these bills stating they preferred not to submit any reports on retirement legislation until that study is completed.

The recommendations of the Civil Service Commission and many of the actions of our committee have been conditioned upon the fact that they will adversely affect the civil-service retirement fund. I want to emphasize and point out to this House and to the managers on this bill that taking a position that

the fund does not need to be maintained in a sound condition is placing the Civil Service Commission, the Bureau of the Budget, and our committee in an untenable position. It has drawn aside the curtain from a \$5 billion trust fund and made it the subject of disbursement without regard to appropriations.

It will be difficult for the agencies and the committee charged with the responsibility for preserving the civil-service retirement of our Federal employees to take adverse action on bills liberalizing retirement benefits on the basis they will impair the fund. How can we meet the issue which will undoubtedly be made? Why is the House Post Office and Civil Service Committee concerned with the integrity of the fund when the Appropriations Committee, which will have to recommend funds to pay these benefits in the long run, is not concerned?

The overriding issue in all of this, of course, is that we must be sure that employees who are contributing 6 percent of their salaries today receive their full annuity when they retire. We must also be sure that in order to meet this obligation, we do not have to make tremendous appropriations later on because we have not properly maintained this fund.

Mr. Chairman, I respect the opinion of this great Committee on Appropriations. I realize, too, there are many who feel that the soundness of the fund is not a matter with which we should be too much concerned, and that retirement payments may be made on a pay-as-you-go basis, especially since the fund has not, for many years, been what we regard as actuarially sound.

I am concerned that this committee look into this matter pretty carefully after reports of present studies are made. Then make sure you are on the right track if you decide to abandon the idea of attempting, at least, of keeping this fund actuarially sound.

The CHAIRMAN. The Chair recognizes the gentleman from Wisconsin [Mr. WITHROW].

Mr. WITHROW. The thing that disturbs me is this, that when the Federal employees or postal employees want a liberalization of the act, then the Chairman of the Civil Service Commission or some other high Government official appears before the committee and says that the fund is not sound and therefore it is impossible liberalization retirement. Then we turn around as a Congress and reduce the amount of money that we contribute to that fund. Now, I have always contended the fund was sound. I believe the fund is sound, and I believe that this committee in its report has definitely said that the fund was sound and that it should be put on a pay-as-you-go basis.

I would like to insert this in the RECORD—and I quote from the committee report on this bill:

The committee feels, and in this it is supported by the opinions of nationally known accountants and actuaries, that the handling of trusts in Government is necessarily different from that of similar trusts in industry. Such a fund, in industry, to be actuarially sound, must be prepared for the liquidation of the industry at any reasonable time. Government cannot, and should not,

operate on any such presumption. Government, with its taxing power, should operate on a pay-as-you-go basis, for such expenditures as these retirement costs.

I think definitely we should do away with this bogey that this fund is not sound, and I hope the next time governmental employees appear before our body asking for a liberalization of the Retirement Act they will not be told that the fund is not sound and they cannot be granted their requests.

(Mr. REES of Kansas asked and was given permission to revise and extend his remarks.)

[Mr. DIES addressed the Committee. His remarks will appear hereafter in the Appendix.]

(Mr. MILLER of California asked and was given permission to revise and extend his remarks.)

The CHAIRMAN. The Chair recognizes the gentleman from California [Mr. MOSS].

Mr. MOSS. Mr. Chairman, my concern with this legislation arises from different reasons than those stated by my distinguished colleague from Texas. I believe that failure to adopt this amendment will establish a bad precedent. I regard it as a breach of faith with the many hundreds of thousands of people who participate in this Federal employees' retirement fund. I have had extensive experience with three separate funds maintained for the employees of the State of California. We have insisted on maintaining the integrity of those State funds as a guaranty of faith to the State employees that their needs in retirement would be met. This proposal to substitute a pay-as-you-go system in meeting the Government's commitments and obligations to its employees places them at the mercy of future Congresses, where it would be perfectly possible to have inadequate appropriations made to meet obligations.

The civil-service retirement and disability fund is a trust fund to provide a system so Federal employees can look forward to security in their old age. The fund was not set up with the idea that it would degenerate into a system of meeting the Government's obligations solely through appropriations. It was established on the basis of the employee contributing his share and the Government putting up a share. Now the Appropriations Committee would have us refuse to pay the Government's share when it is due.

Your Post Office and Civil Service Committee has militantly guarded against any weakening of this trust fund or of the Government's trusteeship over the fund. This has not always been an easy task. The record will show that hardly a day has passed in previous Congresses when powerful influences have not been at work to syphon off some of the assets of this fund. Your Post Office and Civil Service Committee has vigorously and continuously protected the fund, while giving recognition to just demands on it which have been brought about by changing economic conditions.

Less than a year ago this committee, which has been vested with the respon-

sibility for the consideration of legislation dealing with civil-service retirement, reported legislation to increase retirement annuities. This legislation became Public Law 555 of the 82d Congress. If there was one single factor, above all others, which determined the final congressional policy embodied in that law, it was the necessity to preserve the soundness of the retirement fund. Now we find a different committee of the Congress approving a money bill which constitutes a very real threat to the soundness of this fund.

In the final analysis, this action of the Appropriations Committee well could defeat the steadfast purpose of the Congress, over the last quarter century, to build and maintain a sound retirement system for the men and women who make up our Federal Government. If this action stands, it will pull the rug out from under your Post Office and Civil Service Committee. It will leave the committee with no adequate defense against all kinds of demands on the retirement fund. It will be the first "hole in the dike," with no means of stopping a flood of requests for increased payments which could wipe out a large part of the equities of the more than 2 million Federal employees who have not yet retired.

I also wish to point out the retirement legislation passed by the last Congress provided for a special committee to study the entire Federal retirement system and report back by the end of this year. The Post Office and Civil Service Committee has before it some 37 bills to increase retirement benefits, and no report on these bills is expected from either the Bureau of the Budget or the Civil Service Commission until the special committee makes its report. If the amendment before us is not adopted, I feel the value of the work done by the special committee will be greatly diminished, if not entirely lost.

Recently a billion-dollar Government bond offering was made, and it was oversubscribed tremendously—a vote of faith by the people in their Government. I think we should have the same degree of faith in the ability of our Government to administer these retirement funds. We should guarantee to the Federal employee that his Government will keep faith with him by keeping the retirement fund as actuarially sound as possible.

Mr. Chairman, I urge the adoption of this amendment.

(Mr. MOSS asked and was given permission to revise and extend his remarks.)

The CHAIRMAN. The Chair recognizes the gentleman from West Virginia [Mr. BAILEY].

Mr. BAILEY. Mr. Chairman, I am opposed to putting off until tomorrow what should be done today. The Government must keep faith. This is a trust fund of which the Government is the chief trustee. We cannot impair the future payments out of this fund to the 2 million Federal employees who are presently employed and those that have been employed in the past and are now on pensions. It is a matter of keeping faith. It is a matter of matching dol-

lars, because that in substance is what the Government is supposed to do. Whether the law says so or not, that at least is implied. I can see no reason why we should not pay into that and pay the interest that would have accrued on the Government's part of it, just like the employees of the Government are required to pay, and we collect the interest on that.

Mr. REES of Kansas. Mr. Chairman, will the gentleman yield?

Mr. BAILEY. I yield.

Mr. REES of Kansas. Of course, to be fair, if you are going to put the thing as you say on an actuarial basis, we would have to admit, along with the gentleman from Texas, that it would take over \$4 billion to do it. That is, if you follow that argument.

Mr. BAILEY. That is true. I would like to remind the gentleman from Texas, too, that we could very well divert our oil reserves to take care of that situation which would help us in paying the national debt.

The CHAIRMAN. The Chair recognizes the gentleman from Louisiana [Mr. PASSMAN].

[Mr. PASSMAN addressed the Committee. His remarks will appear hereafter in the Appendix.]

The CHAIRMAN. The Chair recognizes the gentleman from California [Mr. HUNTER].

Mr. HUNTER. Mr. Chairman, I ask unanimous consent to yield the time allotted to me to the gentleman from California [Mr. PHILLIPS].

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

The CHAIRMAN. The gentleman from California [Mr. PHILLIPS] is recognized.

Mr. REES of Kansas. Mr. Chairman, will the gentleman yield?

Mr. PHILLIPS. I yield to the gentleman from Kansas.

Mr. REES of Kansas. I just want to make sure now, if I can, that in view of the fact the committee is giving this thing careful study, the Committee on Appropriations will not forget the study and the report when it comes in.

Mr. PHILLIPS. We are very much interested. I think I should say for the benefit of some of the worried gentlemen on the other side that the first suggestion that we give this a thorough investigation came from representatives of employees' organizations who were fearful of the condition of the fund.

Mr. Chairman, I have only one other comment to make, and that is that it was suggested by some Member on the other side if this amendment were not carried there would be an exodus of Government employees because of fear of the resulting situation. They, of course, have no such fear. But it has been expressed in my hearing that perhaps that might be a good thing, if we could produce that result. I rise only to assure the people that that will not be the result and that there will be no effect upon the employees and that the employees are actually in better condition, and recognize that to be so, under the proposed

plan by which we would be paying the amount necessary on a pay-as-you-go basis than they are under a hypothetical fund, which is not actuarially sound and would require \$4 billion to make it actuarially sound.

Mr. HUNTER. Mr. Chairman, will the gentleman yield?

Mr. PHILLIPS. I yield to the gentleman from California.

Mr. HUNTER. Mr. Chairman, is it not true that the pensions, as they are being paid at the present time, are paid out of current receipts from taxes?

Mr. PHILLIPS. That is a correct statement. The situation is rather amusing when we hear the arguments, because there is actually no money now to pay them. This fund goes into bonds and was used to pay off the deficit in the past. If we had a surplus, I suppose it would be used to pay on the national debt. And when it became necessary to use this money to pay retirement payments, it would be necessary to go out and sell bonds to the taxpayers in order to retire those bonds and get cash for them.

Mr. HUNTER. Then, in the future as now, the only way to pay these pensions is out of current receipts each year. Is that not correct?

Mr. PHILLIPS. That is correct.

Mr. HOLIFIELD. Mr. Chairman, will the gentleman yield?

Mr. PHILLIPS. I yield to the gentleman from California.

Mr. HOLIFIELD. As I understand it, this establishes a precedent of reaching into these earmarked funds which are the guaranty of retirement benefits to the civil-service employees—and if the answer to that is in the affirmative—

Mr. PHILLIPS. No, it is not.

Mr. HOLIFIELD. It is not correct?

Mr. PHILLIPS. I do not see how you can reach into funds if the funds do not exist.

Mr. HOLIFIELD. The funds do exist.

Mr. PHILLIPS. It is a paper fund.

Mr. HOLIFIELD. The funds do exist.

The CHAIRMAN. The time of the gentleman from California has expired. All time has expired on this amendment.

The question is on the amendment offered by the gentleman from California [Mr. MILLER].

The question was taken; and on a division (demanded by Mr. MILLER of California) there were—ayes 84, noes 143.

So the amendment was rejected.

The Clerk read as follows:

FEDERAL COMMUNICATIONS COMMISSION

Salaries and expenses: For necessary expenses in performing the duties of the Commission as authorized by law, including newspapers (not to exceed \$175), land and structures (not to exceed \$3,000), special counsel fees, improvement and care of grounds and repairs to buildings (not to exceed \$17,500), services as authorized by section 15 of the act of August 2, 1946 (5 U. S. C. 55a), and not to exceed \$73,335 for expenses of travel, \$7,100,000, of which not less than \$935,000 shall be available for personal services necessary for application processing and hearings in connection with the issuance and renewal of television licenses, and not less than \$809,271 shall be available for personal services

necessary for application processing and hearings in connection with the issuance of licenses in the safety and special radio services.

Mr. CELLER. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I would like to address myself to the question of public housing in order to call your attention to what President Eisenhower said in Pittsburgh last October:

We must have better housing for those Americans who are now forced to live in slums and substandard dwellings.

On at least four other occasions during the campaign the President made statements in support of public housing.

In Boise, Idaho, on August 20, he referred to the housing program as a "moral obligation." In Los Angeles, Calif., on October 9 he went a little further and said that various social programs, including housing, are "a sound investment in a sounder America."

Clearly the impression left on the minds of the voters of this country was that the Chief Executive and his supporters in Congress support public housing. But apparently the Committee on Appropriations bringing this bill in does not believe in the President's pronouncements and wants to default on the promises made by the President during the campaign on public housing by destroying every vestige of public housing.

Mr. TABER. Mr. Chairman, will the gentleman yield for a question?

Mr. CELLER. I yield to the gentleman from New York.

Mr. TABER. As I understood what the gentleman read, the President did not say he was in favor of public housing, but simply that he wanted to see things cleaned up. They cannot be cleaned up by public housing.

Mr. CELLER. I differ with the gentleman. I have not time to read these quotations in full, but I would suggest that the gentleman from New York, who has a rather jaundiced view in these matters, read what the President said. Then he will come to the inevitable conclusion that he is in favor of public housing as a sound investment in America, because he said on occasions that public housing would be an investment to prevent disease and squalor and crime and misery, and it would be an investment in better living.

It all depends on whose ox is being gored. I read the RECORD and I find statements made yesterday to the effect that public housing is socialistic; that it is un-American. Other epithets of that sort were leveled against public housing. But is it socialistic to have a farm-support program? Our farm-support program has cost over \$3 billion. That is good policy. Good policy because the farmers are involved. When they get handouts it is not socialistic. I desire to help farmers, but let us be honest about the help and call a spade a spade. The Government owns corn to the extent of \$410 million; it has made loans to the extent of \$310 million more; it owns \$284 million of wheat; it has made loans to the extent of \$817 million more; it owns \$32 million of cotton.

It has made a quarter of a billion dollars' loan on cotton. It owns and purchases \$72 million worth of butter. It owns \$1 million of tobacco and has loaned \$266 million more on tobacco. It owns \$324 million of other farm products and has loaned \$171 million more on said other farm products. I could go on and on and indicate to you that the Government has in its price support of farm commodities invested today over \$3 billion, and the end is not in sight. Is that socialistic? Is that un-American? Is that waste? No. Those who support the farm-support program will say, "No; that is perfectly proper." I repeat: It depends upon whose ox is gored. And what about ship subsidies, and railroad subsidies, and subsidies to the airlines? And what about the millions doled out to big business in the form of accelerated tax amortization? That is a crime that smells to heaven. But that is not socialistic. That helps big business. It does not help the little fellow, as public housing does. Now I wish to read in part a telegram sent to me by the mayor of my city:

NEW YORK, N. Y., April 20, 1953.

HON. EMANUEL CELLER,
House of Representatives,
House Office Building,
Washington, D. C.

* * * The recommendation to completely halt the Federal public housing program made by the Committee on Appropriations in reporting out the first independent offices appropriation bill of 1954 (H. R. 4633, Rept. No. 276) carries with it the gravest threat to the people of New York City. If this bill is enacted, it will deprive low-income families in this city of 24,000 low-rent apartments scheduled for construction over the next few years, fully 60 percent of the city's scheduled allocation under the Housing Act of 1949. It will cut the heart out of the city's efforts to clear slums and provide decent homes for families of low income at the very time that these efforts should be redoubled. According to the official 1950 census figures, 456,861 New York City families were without housing of their own or living under substandard conditions. The large immigration in the past few years has further increased overcrowding, and other slum-producing pressures. The New York City Housing Authority had an average of more than 200,000 active applications in its files in 1952, or more than 15 applications for each apartment that became available during the year from both new construction and vacancies. It is currently receiving applications at the rate of about 60,000 a year. The demand from veterans continues so great that except for families residing on housing sites virtually no nonveteran families, even those being evicted onto the streets, can be accepted for public housing. I ask you to fight for the continuation of an adequate Federal public housing program, and to carry on the fight until it is won. If it is not won, thousands of decent, hard-working families in this city must continue to live in squalor and misery without hope of decent homes in which to raise their children. * * *

VINCENT R. IMPELLITTERI,
Mayor, City of New York.

I herewith set forth an editorial of the New York Times of this morning which is most pertinent:

FOLLY ON HOUSING

More than one-fourth of the so-called savings reported by the House Appropriations Committee in the Independent Offices

bill comes under the heading "Reduction in Public Housing Units." What the committee proposes is to halt the Federal public-housing program by forbidding further loans, annual contributions or authorizations to start construction.

"The committee is of the opinion," says it report, "that continuation of this program is not justified and * * * that many projects where low-rent housing has been constructed are having difficulty in completing the occupancy of such facilities." Whatever may be the situation elsewhere, we wish to call attention to the statement of Mayor Impellitteri this week that the New York City Housing Authority had more than 15 applications for each apartment that became available during 1952 and that the demand continues so great that virtually no non-veterans' families, even those evicted on the streets, can be accepted for public housing. The slash in funds would mean deferment of 19 proposed housing projects in New York City embracing 24,000 low-rent apartments. Projects now under way would not be affected.

For Congress to suspend the already sadly reduced public-housing program would be a disaster for such large urban centers as New York, which are in desperate need of the low-rent housing and slum-clearance that the Federal law makes possible. The 1949 act originally authorized the start of 135,000 units annually; but this ceiling was cut to 50,000 in 1951 and to 35,000 in 1952, inadequate figures at best but certainly better than the 5,000-unit ceiling that the House tried unsuccessfully to impose last year. If the House now accepts the penny-wise, shortsighted recommendation of its Appropriations Committee we trust that the Senate will—as it has previously done on housing bills—rescue the House from its own folly.

I have a new slogan for the Republicans—especially those who support the proposal to destroy public housing—"Millions for the millionaires." Big business and tycoons are surely in the saddle and will ride higher and higher.

Stevenson in the recent campaign said, "Nothing is more important than people." The antagonists to public housing believe not in the people but in property and money. Things and goods are more important than lives. I remind them of what was said centuries ago "What profiteth a man if he gains the whole world but loseth his soul."

We should be interested in a happy, contented people. But how can they be happy or contented while living in dingy, dark, damp, dismal tenements, sometimes in rat-infested hovels. Slums breed discontent and unhappiness. They blunt the zest for living. They destroy all feelings, dignity, and security.

"Leave the matter to private interests," the Republican-dominated committee says. What a mirage. What a delusion. Private interests have their sights trained on profits and profits only—high return on investments. There is no gainsaying the profit motive. But in public housing which supplies a public necessity that profit motive is a dead weight. Take the case of Park Marced, a development at San Francisco. It involves, I think, some 11 huge apartment houses, each many stories high. I recently saw them—they are practically empty and have been empty a long time. Why? The answer is that the rents asked are too high—too high for the low-

income-bracket worker. He cannot afford the price. The development is a Metropolitan Life Insurance project. The company refuses to lower the rents. Meanwhile the whole endeavor is rendered abortive. It is not worth while for private interests to build low-rent housing. If they will not or cannot, the Federal Government must step in.

What has happened in San Francisco, I am sure is happening in many parts of the country. If public housing is dead, then low-cost housing units are dead.

MR. MUMMA. Mr. Chairman, I move to strike out the last word.

MR. CHAIRMAN, I had intended making some remarks later on the subject of public housing, but I think what I have to say will fit in pretty well with those remarks just made by the gentleman from New York [Mr. CELLER] but perhaps from a little different angle.

I refer to the matter of occupancy of Federal housing. The title of my remarks could be: How long is it reasonable to allow a tenant to stay in this low-cost subsidized less-than-cost housing?

The latest figures show that each unit is subsidized to the extent of about \$27 a month. I imagine the costs are higher right now.

I think this approach to the public housing situation is very important. Some plan should be adopted whereby tenancy is limited to a certain period of time. This would help get out of these units some of the people who expect to make this a permanent thing and allow others to have a chance. It is reliably estimated that public housing can at best take care of only one-tenth of our people who are in the low-income group and need this help.

Another angle that should be studied, when the whole housing situation is reviewed, is the matter of incentive. It is claimed that Federal housing rehabilitates. If it is a matter of rehabilitation, there ought to be a period of so many years or months of occupancy provided to permit tenants to acquire a stake to be used in the purchase of homes of their own. I realize it is a much easier proposition for a veteran to get out of these low-cost housing units and have a little garden for his kids to run around in than for a widow with 2 or 3 children to support. This should be taken into consideration when this public housing item is reviewed again next year by the Banking and Currency Committee, at which time I hope these various suggestions I have made will be developed.

In my community we have a very good housing authority. We have a very good manager in charge. We have 1,100 units and, in my opinion, those 1,100 units should form the basis for a turnover so that people who run into a streak of hard luck may be taken care of and perhaps save a little money. In my experience, it is not always the fellow who makes the most money that lives the nicest or has the best home. I can show you cases of people, living more or less on a low-income wage, who get in there and pitch. They look nice, they have a nice garden. It is mainly a matter of

their will to lift themselves up rather than continuing to accept this subsidized housing. As I said, I think that we have a good outfit at home in Harrisburg, Pa. Even the mayor of that city sent me a telegram urging continuation of public housing as is. I replied to him along the thoughts I have expressed here. I know we cannot do anything today concerning the suggestions I made but they are things that should be given thought, because there is a limit to how much we can do along this line.

Mr. GEORGE. Mr. Chairman, will the gentleman yield?

Mr. MUMMA. I yield to the gentleman from Kansas.

Mr. GEORGE. Is it not true that this is more or less a special privilege granted to a chosen few in certain cities?

Mr. MUMMA. That is my viewpoint, along certain lines. I know, as a Congressman, I get calls about this person and that person being given preference and with 1,100 units it is pretty hard to please them all. I know of one case where the earnings of the man and the wife did not entitle them to public housing. So, the wife quit work, and 30 days after they got in the public-housing project she went back on the payroll.

I know of another case in my own business, which I caught and stopped. A former employee returned to our company. Several weeks later he sold the timekeeper—a new and inexperienced one—on fixing up a statement, not based on the facts, which would enable him to get a public-housing unit. Such occurrences may be scarce but they do happen, despite the intent of the housing authorities.

Yesterday I went over my plan in the rough with several Members of the House. They considered it a new and intelligent approach and one that would accomplish a worthwhile objective and fill a basic need. It would furnish an incentive for a great number of our low-income group—knowing exactly how long they could have this public help—to so arrange their financial affairs that on the day they must leave the public housing they would be moving into their own homes.

I am surely going to press for such an amendment to our public-housing laws.

The Clerk read as follows:

FEDERAL POWER COMMISSION

Salaries and expenses: For expenses necessary for the work of the Commission, as authorized by law, including not to exceed \$173,335 for expenses of travel; hire of passenger motor vehicles; and not to exceed \$500 for newspapers; \$4,300,000, of which not to exceed \$10,000 shall be available for special counsel and services as authorized by section 15 of the act of August 2, 1946 (5 U. S. C. 55a), but at rates not exceeding \$50 per diem for individuals.

Mr. YATES. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. YATES: On page 10, line 12, strike out the figure "\$173,335" and insert in place thereof the figure "\$225,000."

Mr. YATES. Mr. Chairman, there is not very much money involved in this amendment, but it means an enormous

lot to the Federal Power Commission in carrying out its statutory duties and responsibilities, and to the consumers of the country. Under the statutes creating the Federal Power Commission, the sprawling new natural-gas companies which are reaching up from the Panhandle of Texas, and from the oil and gas fields throughout the Southern States to all the States in New England, in the Middle West and even to the Pacific Northwest now, are regulated as to their rates by the Federal Power Commission. They are permitted by law to make only reasonable charges. In the last few years these companies have begun to file applications for increases of their rates and a tremendous workload has been thrust upon the Commission.

The ratemaking process requires the companies to file a schedule of their new proposed tariffs in Washington. The Commission then sends to its accountants and engineers to the home offices of the companies to examine their books, to make sure that exorbitant charges are not demanded. It is the only protection that the consumers who pay the rates and charges filed by the companies have against overcharges. If it were not for the investigators of the Commission, the natural-gas companies and the interstate electric companies could charge whatever they wanted to. Our subcommittee which handled this appropriation bill is guilty of a glaring inconsistency. On page 6 of the report you will note the following:

These exceptions occur in connection with the increased workload in suspended gas and electric rate increase applications. The committee feels that the staggering workload in these two matters and the urgent need for a more nearly adequate staff make allowance of the proposed increase essential.

The committee has recognized the fact that the Federal Power Commission is staggering under an increased load of applications for increases, and has therefore allowed additional money to dispose of the backlog of cases. Yet on the other hand it takes away from the Commission sufficient funds to carry out the committee's mandate. The Commission cannot dispose of its cases until it makes its investigations. These are a necessary part of its function of supervising and making sure that the charges requested by the utility companies are reasonable.

My amendment, Mr. Chairman, provides for a small amount of money but it is absolutely necessary in order to permit the Commission to operate on any sort of reasonable basis.

For fiscal year 1953 the Congress approved a travel allowance of \$204,000. That is the allowance for the fiscal year 1953. What did our subcommittee do? In spite of the fact that this testimony shows that even the \$204,000 was inadequate, our subcommittee cut the amount for travel down to \$173,000. This affronts commonsense. On one hand we give the Commission more money to take care of an increased workload; on the other hand we say, "You cannot dispose of the workload because we won't give you enough money to travel to dispose of the workload."

On page 156, Mr. Buchanan, the Chairman of the Commission, said:

We just haven't got enough money to pay the per diem allowance for our engineers and accountants going into the field. We had to cut their allowance almost in half.

It is such shortsightedness by the Appropriations Committee and by the Congress which will destroy the regulatory process. The legislation creating the Federal Power Commission and investing it with the duty of protecting the public from excessive rates charged by public utilities engaged in interstate commerce was vitally necessary when it was enacted and is even more necessary today. The natural gas business is one of the fastest growing in the Nation. Its pipelines extend like tentacles into almost all the States of the Union. Its gas is used in greater and greater quantities by the public and by industry. The Federal Power Commission is the only barrier to rate-gouging by such companies.

We may pass the best legislative bill in the world, but if the appropriations necessary to carry out the bill are denied, the bill will fail and its purposes will fail. That is what I fear our committee has done in this instance. The Commission can only act through its investigators. Its investigators can only act if they can travel, for which they need funds.

Mr. COTTON. Mr. Chairman, I ask unanimous consent that all debate on this amendment close in 5 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from New Hampshire?

There was no objection.

Mr. COTTON. Mr. Chairman, I rise in opposition to this amendment and simply say to the members of the Committee of the Whole that, in the first place, the Federal Power Commission during the present fiscal year had for travel \$202,500, and its request for the coming fiscal year in this bill was \$260,000. This item in the bill was reduced by one-third. It should be remembered that the reduction of one-third was a reduction of an increased request over last year. That is the first thing to remember. Second, and more important, this same reduction was made in every agency in the bill. That is the whole question in a nutshell. Remember that if we restore this money in one agency there will be good and plausible arguments for restoring this money for every agency covered by this bill. So you are not dealing with just this agency, you will find you will be dealing with all the rest of the agencies as well.

Lastly, let us not chisel away at the reduction in travel which this bill carries. I think we all know there is a tendency for unnecessary travel in these agencies. If in this agency, or in any other, a serious situation arises, I remind you that they know where we are up here on this Hill, and they can find their way up here very quickly. They have demonstrated that they can do this. Congress is in session most of the year. These agencies can go to the Bureau of the Budget and then come to us for what they need in any emergency.

So I ask the Committee to back up your subcommittee here and not open the gate and let in the flood restoring all this travel. It is not necessary. If any harm results it can be taken care of.

Mr. YATES. Mr. Chairman, will the gentleman yield?

Mr. COTTON. I yield.

Mr. YATES. The gentleman has stated that if they need the money, the Commission can come to the Congress. Is not that exactly what the Federal Power Commission is doing now? They have asked us for sufficient money and we have cut their request below a reasonable allowance. The new Director of the Bureau of the Budget has approved travel expenses of \$240,000. My friend knows that this is not the Bureau of the Budget under the Truman administration, but the new Bureau of the Budget, it has approved even more money for travel than my amendment would allow.

Mr. COTTON. The gentleman has said all that before. I simply reiterate that what he has called to our attention shows that it is an easy and simple matter for them to come back and ask for more money, if the amount we give them now is not enough. From now on let us dole this money out in homeopathic doses.

The CHAIRMAN. The question is on the amendment of the gentleman from Illinois [Mr. YATES].

The amendment was rejected.

The Clerk read as follows:

Strategic and critical materials: Funds available for this purpose during the current fiscal year shall be available for services as authorized by section 15 of the act of August 2, 1946 (5 U. S. C. 55a), and not to exceed \$143,000 of such funds shall be available for expenses of travel: *Provided*, That any funds received as proceeds from sale or other disposition of materials on account of the rotation of stocks under said act shall be deposited to the credit, and be available for expenditure for the purposes, of this appropriation: *Provided further*, That during the current fiscal year, there shall be no limitation on the value of surplus strategic and critical materials which, in accordance with subsection 6 (a) of the act of July 23, 1946 (50 U. S. C. 98e (a)), may be transferred to stockpiles established in accordance with said act.

Mr. DURHAM. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I take these few moments to ask the chairman a question or two, and also to clear up one or two things which are not very clear in my mind on the appropriation for strategic and critical materials and the action taken by the committee on that provision.

The President has recently sent us a reorganization plan, with which I am in thorough accord. This operation is rather large and involves a great deal of money. It is not an expenditure because it is an investment, and if we cannot use the material we could sell it and probably make several million dollars, but, of course, we do not want to do that. So the authority has been dissipated through the Munitions Board, the State Department, the Interior Department, the Defense Production people, and Defense Management Production, and all over the executive agency of

government downtown so that authority is not very clear, and there has been confusion although they have done a very fair job. The Congress laid down a policy of a 5-year program for national defense on strategic and critical material. That is the policy today under Public Law 520, and Public Law 117, the old law of 1938 and 1939 which carried the first authorization for stockpiling of strategic and critical materials. That still is a part of the fund, plus what we have invested today, approximately \$4 billion. The Congress has always appropriated money for this operation without any hesitation, and the committee has been wise in doing this for the security of our country.

The question I would like to ask the chairman of the committee is this: There is no intention on the part of the committee to hamper or close out this program by taking the action of simply saying there are enough funds existing this year, unexpended, four hundred and sixty-one or four hundred and sixty-two million dollars, that can be used in securing critical and strategic materials? In other words, the Congress has laid down this policy, and the Committee on Appropriations also wants to continue this program in its entirety, so that it will be in good shape in case of an all-out national emergency?

Mr. PHILLIPS. The gentleman is absolutely correct, as is evidenced by the figures. Turn to page 950 of the hearings, and you will see that Congress has appropriated over the years \$5.4 billion. Of that amount \$4.9 billion has been obligated and only \$3.415 billion has been expended, leaving \$1.8 billion unexpended, and \$457 million not obligated.

May I say further that the removal of \$188 million and \$37 million was not the committee's action. That was the statement on the part of the agency, that they would not need the money this year.

Mr. DURHAM. That is right. Now, it is not quite clear why you inserted the language on line 18, page 16.

Mr. PHILLIPS. Only that the agency told us they would not need the larger amount. I have just checked with the committee clerk. It is the figure of the agency in their revised budget.

Mr. DURHAM. That is the \$30 million?

Mr. PHILLIPS. That is correct.

Mr. DURHAM. That is not new authorization; is it?

Mr. PHILLIPS. No. That is to liquidate contract authorizations previously authorized.

Mr. DURHAM. I do not understand why they had to ask for that, because they have authority under Public 520 for that.

Mr. PHILLIPS. I do not want to appear as if I did not know what this is all about, but the truth of the matter is that we gave this agency whatever it asked for, without arguing. If it said it needed \$30 million to liquidate contract authorizations we gave them \$30 million.

Mr. DURHAM. I do not understand why they had to ask for that authorization.

The CHAIRMAN. The time of the gentleman from North Carolina has expired.

(By unanimous consent, Mr. DURHAM was granted 2 additional minutes.)

Mr. THOMAS. Mr. Chairman, will the gentleman yield?

Mr. DURHAM. I yield to the gentleman from Texas.

Mr. THOMAS. I think our chairman put his finger on it. They came in and said, "We want to liquidate this prior contract authority," out of money that they had. They just asked permission.

Mr. DURHAM. They have been doing it.

Mr. THOMAS. No. You have to appropriate money for the liquidation of their contract authority. This fund has been appropriated out of that \$450 million which they now have.

Mr. DURHAM. Why you did it was that you had already appropriated the money—

Mr. THOMAS. No, no. You give them contract authority, and year by year you liquidate the contract authority. They now want to liquidate this \$30 million. You liquidate it out of funds which they have, which they say they do not need. This committee, at no time since the inception of this program, has ever denied them one 5-cent piece that they have asked for.

Mr. DURHAM. I agree with the gentleman.

Mr. THOMAS. And we have not done it this year.

Mr. DURHAM. I am only trying to clarify this thing as to whether or not it is new authorization in this act.

Mr. THOMAS. No; we are merely liquidating prior contract authorization, that is all.

Mr. PHILLIPS. If the gentleman will yield, Mr. Chairman, is that clear to the gentleman?

Mr. DURHAM. That is very clear.

Mr. PHILLIPS. That we give them contract authorization 1 year whether it be the Atomic Energy Commission, TVA, or some other department or agency.

Incidentally, we do not do that any more, we give them cash. When we give them contract authorization we have to appropriate the next year the necessary cash to cover the contract obligations.

Mr. DURHAM. I feel that this agency is going to be in better shape under reorganization plan No. 3 recently sent to Congress. I hope every Member of Congress will secure a copy of it. It was sent up here a few days ago, Reorganization Plan No. 3; and I hope all Members will read it, because I am sure that under this plan there will be an improvement in the operation as authority is very clearly defined and too I am very glad to see the President feels this a necessary part of our defense program.

The Clerk read as follows:

Acquisition of additional land in the District of Columbia, \$1,075,000.

Mr. JAVITS. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I am taking this time before we get into the housing situation which will I know be the subject of considerable debate, to clarify one element of the public housing situation that is very important, I think, for the consideration of the Members. It refers to a colloquy which a number of us had, the

gentleman from Connecticut [Mr. SEELY-BROWN], the gentleman from Illinois [Mr. YATES], and myself with the chairman of the subcommittee and my colleague from New Hampshire [Mr. CORTON]. It appears at pages 3551 and 3552 of the RECORD.

The effort was made to get clear exactly what contracts made by the Public Housing Administration would be honored. I have gone to considerable pains to research the question and I find the following to be the case:

There have been actually entered into what are called preliminary loan contracts—and I have a copy of the form here—for about 120,000 public housing units. Those specifically provide and I quote paragraph 24 of this contract:

Neither the execution of this preliminary loan contract, nor any acts in pursuance thereof shall be construed as constituting any legal obligation by the PHA to enter into any annual contributions contract in connection with the low-rent housing projects to which this preliminary loan contract applies, it being expressly understood that the PHA will, in its sole discretion, determine whether or not such annual contributions contract or contracts shall be entered into.

Nevertheless there is a serious point there in the actions in condemning property, planning, and other acts which have taken place on the strength of these contracts.

On the other hand there have been contracts entered into for about 70,000 units in 32 States and the District of Columbia, and Puerto Rico, a list of which I inserted in the Appendix last night and which is to be found on page A2179—and I repeat, 32 States, the District of Columbia, and Puerto Rico, providing for about 70,000 units, and those are clearly an absolute obligation.

Section 9 of that contract reads as follows:

SEC. 9. Annual contributions by PHA.

Subject to and in accordance with all the provisions of part 2 hereof, and in order to assist in achieving and maintaining the low-rent character of each project, the PHA shall make annual contributions to the Local Authority in the amount and for the period specified in part 2.

The only reason there is any hesitation at all is on the point I brought out with the gentleman from Illinois yesterday where these have been entered into in good faith and not against the wishes of the Congress or Members of Congress.

Mr. PHILLIPS. This committee intends that those shall be carried out. There might be a certain group of these contracts that the gentleman from New York and the gentleman from Illinois would not want carried out, either. I know the gentleman is not talking about that kind of contract at this time; therefore I say that this committee of the Congress would say that these contracts shall be carried out.

Mr. JAVITS. That is, the contracts to which I referred?

Mr. PHILLIPS. Yes.

Mr. JAVITS. Not one of these contracts was entered into without Presidential approval, so that you have a real

exercise of authority and I think the record should be crystal clear on that because it can involve the United States in all kinds of complications and litigation.

I want to say at this time to the gentleman that I estimate the United States will lose about fifty or sixty million dollars if none of the other types of contracts—that is, these preliminary-loan contracts—are gone through with.

Mr. PHILLIPS. Maybe we can subtract the \$60 million from the \$9 billion we will save.

Mr. JAVITS. We argued about that yesterday and I do not want to raise that now. I think it has already been shown that this is not a valid objection to the Federal program. I thank the chairman. I think this will help a lot in clarifying the situation.

The Clerk read as follows:

HOUSING AND HOME FINANCE AGENCY

OFFICE OF THE ADMINISTRATOR

Salaries and expenses: For necessary expenses of the Office of the Administrator, including rent in the District of Columbia; services as authorized by section 15 of the Act of August 2, 1946 (5 U. S. C. 55a); not to exceed \$175,800 for expenses of travel; expenses of attendance at meetings of organizations concerned with the work of the agency; and transportation expenses and not to exceed \$25 per diem in lieu of subsistence, as authorized by section 5 of the Act of August 2, 1946 (5 U. S. C. 73b-2), for persons serving without compensation as members of any advisory committee established pursuant to title VI of the Housing Act of 1949; \$2,587,100: *Provided*, That necessary expenses of inspections and of providing representatives at the site of projects being undertaken by local public agencies pursuant to title I of the Housing Act of 1949 and of projects financed through loans to educational institutions authorized by title IV of the Housing Act of 1950, shall be compensated by such agencies or institutions by the payment of fixed fees which in the aggregate will cover the costs of rendering such services, and expenses for such purpose shall be considered nonadministrative; and for the purpose of providing such inspections, the Administrator may utilize any agency and such agency may accept reimbursement or payment for such services from such institutions or the Administrator, and shall credit such amounts to the appropriations or funds against which such charges have been made, but such nonadministrative expenses shall not exceed \$500,000: *Provided further*, That not to exceed \$40,000 of this appropriation shall be available for a reorganization survey of the Housing and Home Finance Agency in cooperation with the President's Advisory Committee on Government Organization: *Provided further*, That the Administrator is authorized without regard to any other provisions of law to transfer without reimbursement any project or facility, or part thereof, constructed or provided under title II of the act of October 14, 1940, as amended (including any personal property related to such project or facility), to any other department or agency, whenever the head of such department or agency so requests after determining that such project or facility is required for the continued operation of or is an integral part of a project or facility under the jurisdiction of such department or agency: *Provided further*, That the Administrator's general supervision and coordination responsibilities under Reorganization Plan No. 3 of 1947 shall carry full authority to assign and reassign functions, to reorganize and to make whatever

changes, including the reallocation and transfer of administrative expense funds and authority where applicable, necessary to promote economy and efficiency in the operations of the Housing and Home Finance Agency: *Provided further*, That the Administrator shall not expend more than \$21,000,000 during the fiscal year 1954 on loans to educational institutions not committed as of December 31, 1952.

* Mr. McVEY. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. McVEY: Page 21, line 8, strike out "December 31, 1952" and insert "April 1, 1953."

Mr. McVEY. Mr. Chairman, the wording of the bill is as follows:

Provided further, That the Administrator shall not expend more than \$21 million during the fiscal year 1954 on loans to educational institutions not committed as of December 31, 1952.

It has come to my attention that quite a few educational institutions have had loans processed since December 31, 1952, and those applications have been favorably acted upon.

Mr. PHILLIPS. Mr. Chairman, will the gentleman yield?

Mr. McVEY. I yield to the gentleman from California.

Mr. PHILLIPS. I think the gentleman should make a sufficient statement so that we all understand what the reason is for the amendment. The committee will accept the amendment. I wanted the gentleman to understand that. We think the amendment clarifies what has been a misunderstanding both in the Congress and on the part of the committee regarding contracts that have already been issued or are in the process of being issued.

Mr. McVEY. I thank the gentleman. I am not particularly anxious to make a speech. If the amendment is accepted by the committee, I think I have no further remarks to offer.

Mr. HORAN. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, one of my colleagues just asked me if I did not want to change that date to April 7. The amendment that has been accepted moves the effective date up to April 1. It so happens that one of my very good educational institutions, Gonzaga University, in Spokane, has a loan that was approved April 9, and I merely take this time to find out and to have a further elucidation by the chairman of the subcommittee regarding the wording of the report. In private conversation with the members of the subcommittee I understand that there should be ample funds to assure institutions that have had loans approved that they will be granted funds from previous appropriations and unallocated sums; is that correct?

Mr. PHILLIPS. Perhaps I ought to make a general statement. This is a function of the Government that we have never been antagonistic to, but we have questioned its growth from the rather small function which was to help universities provide buildings for their students in the years which followed the war and the return of the GI students to college. From that very small base

it has grown to a function of the Government which is now talking about a \$150 million program for 1 year. We felt that the Congress had not intended that growth in that short a time, and so long after the war's end, so we set a limitation date of December 31, which I have just said I think was too early, because there was an interval between the time we made the cut and December 31 which was not covered. Then we said that \$21 million would undoubtedly be enough for next year compared to the previous year's expenditures. Now, we find that here is \$48 million worth of housing for which the colleges have more or less gotten themselves committed; \$48 million plus the \$21 million would be \$69 million available for next year, which is more than twice what will be spent this year. April 1 seems to us a date that should meet the situation; we would take care of all these contracts that have been talked about and are in the process of being taken care of.

The gentleman to my left has just pointed out that that does not take care of certain commitments of universities which they made in good faith but which were not signed until April 7. It suggests itself to me that if it would not be out of order to make a second amendment to the same section the date of April 15 would cover both the gentleman from Washington and the gentleman here, and we would accept that. If that is out of order, then I simply say to the gentleman that we will work it out somehow. We are not trying to avoid any commitment but we are trying to see that we do not multiply by five a program which was intended to be an emergency program at best. Multiplying it by two in any 1 year seems to this subcommittee to be adequate.

Mr. HORAN. I thank the chairman of the subcommittee.

Mr. REAMS. Mr. Chairman, will the gentleman yield?

Mr. HORAN. I yield to the gentleman from Ohio.

Mr. REAMS. That is not acceptable, I may say to the chairman of the subcommittee, because there are a great many colleges, including one that I am speaking for today, Bowling Green State University, where the plans have been made and have been tentatively approved, the amount has been approved, and they are only awaiting the architect's drawings.

The CHAIRMAN. The time of the gentleman from Washington has expired.

(On request of Mr. PHILLIPS, and by unanimous consent, Mr. HORAN was allowed to proceed for 5 additional minutes.)

Mr. PHILLIPS. If the gentleman will yield further, I think we should all understand this situation. There are legitimate and desirable instances that we should do something about, but I still question, without further investigation, whether the Government intended to go into just a flat educational subsidy without any limitation. There are educational institutions who are using the taxpayers' money to erect buildings when those institutions could go into the open

lending market and get the money. There is at least one institution, mentioned either on or off the record, during the hearings, where the institution had acquired a building of this kind, which we had presumed to be for the use of students, and it was renting it for income to the college.

As I say, we have no arbitrary feeling on this, but we feel that a limitation should be set upon the amount of money we use for something that was set up as an emergency to help GI students and which is now developing into a subsidy for colleges. If these colleges get into it this year, you can well imagine what the demands will be upon the Congress, by another year unless we put some limitation on it. I suggested April 15, because I believed that would take care of those people who in good faith had gotten themselves into a position where it would be embarrassing to them if we did not extend the time.

Mr. HORAN. I am sure it is the intent of the gentleman from Ohio [Mr. REAMS], and it certainly is mine, to work with the subcommittee in this regard. That is the reason I took this time to interrogate and attempt to clear up the situation. Gonzaga University in Spokane, I am sure, applied for this loan in good faith.

Mr. PHILLIPS. I have said that the committee is not arbitrarily trying to do this, and would like to protect any college which as of now has legitimately made some sort of commitment under this part of the act.

Mr. Chairman, may I submit this unanimous-consent request, that we put in a limitation coinciding with the fiscal year, that is, by June 30, 1953. There will be plenty of time for the colleges to work themselves out of any situation they may be in, and the agency will have time to determine the contractual possibilities.

I make that, Mr. Chairman, as a unanimous-consent request.

Mr. DAVIS of Georgia. Mr. Chairman, will the gentleman yield?

Mr. HORAN. I yield.

Mr. DAVIS of Georgia. What effect does this limitation of \$21 million have even though the time is extended?

Mr. TABER. Mr. Chairman, reserving the right to object to the unanimous-consent request put by the gentleman from California [Mr. PHILLIPS] that limitation as to money does not tie you down as to when these things may have been approved. It simply limits the amount that may have been expended to \$21 million on loans that are not committed prior to a particular date. Now the field is wide open for those that have been applied for prior to the date that is fixed here. There seems to be considerable misunderstanding on what that language means. I think you should know.

Mr. DAVIS of Georgia. Mr. Chairman, will the gentleman yield further?

The reason I am asking is this: I have had a call this morning from Emory University, Georgia, and they have pending now an application for one of these loans, which has been approved by the Office of Education, but which is still in process of being worked out. This is

most important to them because they have an Air ROTC unit there.

The CHAIRMAN. The time of the gentleman from Washington [Mr. HORAN] has expired.

Mr. HORAN. Mr. Chairman, I do not feel that we have cleared this matter up. I have not taken up all of this time and, therefore, I ask unanimous consent to continue for 5 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Washington?

There was no objection.

Mr. DAVIS of Georgia. Mr. Chairman, will the gentleman permit me to finish my question?

Mr. HORAN. Yes.

Mr. DAVIS of Georgia. This university has an Air ROTC directly connected, of course, with the defense program. I am extremely anxious that nothing here shall cut off this application which is now pending, and which has been approved by the Office of Education. I want to know if this limitation is going to cut that off?

Mr. PHILLIPS. Mr. Chairman, it seems to me that we are getting more confused, and that what I had better do is to withdraw my unanimous consent request and let the date stand, and let this matter be presented to the other body, and if there is any necessary correction it can be worked out there. There is no limitation upon this which the gentleman suggests, in whose district Emory University lies. I think he should tell us a little more about Emory University, and whether its endowment is such that it could build its own buildings, because this is the kind of function which the Congress sets up unintentionally. It does not set a money limit, but it says the agency can go to the Federal Treasury and get out funds. We are trying to put a limitation upon this—a reasonable limitation, and thus not throw us headlong into some sort of unlimited support of educational institutions of which there are thousands throughout the United States. As soon as they all find out that here is some comparatively free money available from Washington, we are going to have an unbelievable demand upon the Treasury. We say we do not intend to support education in that way, and we do not want to go into this without our eyes being open. So I will withdraw the unanimous-consent request, Mr. Chairman, and leave the matter stand where it was put by the gentleman who made the motion setting April 1.

Mr. HORAN. I yield to the gentleman from Arkansas.

Mr. NORRELL. I would like to ask the chairman of the subcommittee a question. I have a housing project in Arkansas recently approved for the A. M. and N. College at Pine Bluff. It is a very splendid Negro college. I am not advised that the contract has yet been executed between the Government and the college. I am, however, very much interested in this college securing the housing provided for in this approved project. This project is desperately needed. Under the wording of this bill

would this project be carried out to full construction?

Mr. PHILLIPS. If the approval of the contract had taken place before April 1, it is perfectly safe. Whatever money is involved is available. If it had not been approved before April 1, then it comes up before the agency, just as it would otherwise, and they would have \$21 million under this bill for such purposes.

Mr. NORRELL. This project has been approved, but the contract has not yet been made. Then, in order for such projects as this to be safe the date should be extended to June 30, 1953.

Mr. HORAN. Mr. Chairman, before I yield further, I want to get my own institution clear in this matter. Gonzaga College in Spokane has already expended \$50,000 in various precontract fees, architectural fees, and so on, and their project was approved April 9. I assume, however, that from the \$69 million which you say has not been completely spent, they should be safe. I do trust that the subcommittee will go more deeply into this subject, and where legitimate loans to worthy institutions can be made and cannot be had from other sources, that that will be done.

Mr. DAVIS of Georgia. Mr. Chairman, will the gentleman yield?

Mr. HORAN. I yield to the gentleman from Georgia.

Mr. DAVIS of Georgia. Answering the chairman of the committee as to what he has said about the university which I represent, first let me say that this is not free money. It is not a subsidy. It is an application for a loan which they will repay. It is not simply dishing out moneys to universities for educational purposes in general.

Getting down to brass tacks, briefly, the approval of this loan will permit certain students at that university to continue to receive their education.

The CHAIRMAN. The time of the gentleman from Washington has expired.

Mr. DAVIS of Georgia. Mr. Chairman, I move to strike out the last word.

If this loan is processed and completed, it means that these boys can continue their education there now and be furnished living quarters at the low rate of \$40 per quarter, because the application of this loan will permit this living space to be furnished at that price. The reason that they applied for this money—and I assume it is one of the factors which induces educational institutions all over the country to apply for these loans—is that it is amortized in a 40-year period, at a rate of interest which I understand is approximately one-fourth of 1 percent more than the Government pays on its current loans. They cannot go to private financing institutions and arrange to amortize one of these loans over a 40-year period. I understand that 25 years is the maximum time that private institutions will contract for. Also, that they cannot get the benefit of this rate of interest which they receive under this provision. Now, it means this to the boys who are attending this university: that whereas if the loan is processed and completed,

they can have these living quarters at \$40 per quarter, and if it obtained by private financing it means that the price will be increased to \$60, or 50 percent increase to the student who is endeavoring to obtain his education. If is not free money; it is to be paid back. It serves a most worthy purpose, and in this particular instance, this institution operates there for the benefit of the Government a ROTC air unit. So from any standpoint I think it is worthy and I feel that I am certainly justified in seeing to it that the institute is protected in this bill for that purpose. That is why I asked the chairman the question I did.

Mr. PHILLIPS. Mr. Chairman, will the gentleman yield?

Mr. DAVIS of Georgia. I yield.

Mr. PHILLIPS. I do not think the gentleman meant to give the impression that a slight increase in the interest rate, which is all that would be involved, would make a difference of \$20 a month to one student.

Mr. DAVIS of Georgia. The period of amortization enters into it.

Mr. PHILLIPS. I think the gentleman ought to point out that a lot of these students' tuition is paid by the Government and that if there is a difference in the financing cost or building cost the Government had paid that; somebody is going to pay it.

Mr. DAVIS of Georgia. All these institutions are having difficulty with their finances or they would not be making applications for the loans.

Do I understand that the gentleman has stated that this limitation as set out in this bill does not deprive institutions whose applications have been approved from going ahead to completion?

Mr. PHILLIPS. I am trying to get an opinion as to what constitutes a committal, I want to say to the gentleman from Georgia. I would suppose that if a firm committal had been made by the Government whether or not a signature was on a piece of paper, that would be a firm committal of the Government just as it would be between individuals. It would be clearer if the contract date were advanced, and that is the reason I submitted the consent request to move it forward a little so as to take in these institutions.

Mr. DAVIS of Georgia. What is the gentleman's attitude about that now? Did the gentleman withdraw his consent request?

Mr. THOMAS. Mr. Chairman, will the gentleman yield?

Mr. DAVIS of Georgia. I yield.

Mr. THOMAS. I wish to propound a question to our distinguished chairman. I wonder if our chairman now would renew his request making the cutoff date the end of the present fiscal year. That would take care of everybody and end all argument. It will furthermore give the chairman an opportunity when he goes to conference to handle it with the other body.

Mr. PHILLIPS. If that is satisfactory to the other Members of Congress, if it does close the debate and if it does take the matter into conference where technicalities can be ironed out, I would be willing to renew my consent request.

Mr. REAMS. Mr. Chairman, reserving the right to object, I would like to ask a question. There are 200 educational institutions which have applications on file. Some of them may be those that are going into the apartment business, but I know a lot of them that are not. I am not sure that this idea of fixing a date is not a rabbit in a hat, and the educators are not good enough magicians to get it out. I want something more definite.

Mr. THOMAS. Mr. Chairman, will the gentleman yield briefly?

Mr. REAMS. I yield.

Mr. THOMAS. I am in sympathy with the gentleman's point of view and we realize exactly what he has in mind. If he will read the hearings he will find that there are about \$34 million worth of these projects as of January 1. At the end of the fiscal year there will be about \$94 million, and at the end of fiscal 1954 there will be perhaps in the neighborhood of \$150 million. Under this limitation, to be perfectly frank with the committee—and that is the only way I ever want to be—the Office of the Administrator can take this \$21 million limitation and start exactly \$300 million worth of projects with it, and that is all there is as far as authorization is concerned. I repeat, he can take that \$21 million and take every application that is approved up to June 30 and start \$300 million worth of projects. Do you follow me?

Mr. REAMS. I follow the gentleman.

Mr. THOMAS. That will take care of you and everybody else.

Mr. REAMS. I do not want to contribute to the delinquency of the Administrator by taking some action which is not entirely ethical or completely in compliance with the law.

Mr. THOMAS. There is no delinquency on anybody's part. As a matter of fact, we notice that the Administrators who are on their toes when a limitation is put on always take a little bit of money and spread it over the entire authorization. That is exactly what will happen here. So, therefore, the chairman has agreed to take this thing to the committee and to conference in order to take another look at it.

Mr. SHELLEY. Does the gentleman from Texas imply that in spreading this they will reduce the amount already given to those who have applications pending?

Mr. THOMAS. No; you have an overall limitation of \$300 million, and that is all. When you absorb the \$300 million that is it.

Mr. REAMS. May I ask another question? Of the \$300 million, as I understand it, only \$150 million has actually been appropriated?

Mr. THOMAS. It is the present authorization and we are not appropriating a dime. You never have. They go directly to the Treasury and get the money.

Mr. REAMS. So the \$300 million is available for the applications now on file if they are approved during this fiscal year?

Mr. THOMAS. That is right.

Mr. HORAN. Mr. Chairman, will the gentleman yield?

Mr. REAMS. I yield to the gentleman from Washington.

Mr. HORAN. When I had the floor, the chairman assured me they would dig into this and that worthy institutions would be given every consideration with regard to their original authorization. I do not know what more we can get than the good word of JOHN PHILLIPS, of California, the subcommittee chairman. With that I am content. I think we are taking care of the applications that are on file now and I believe the subcommittee will give every consideration to worthy institutions for these funds they cannot get elsewhere.

Mr. PHILLIPS. I do not think the gentleman from Ohio can possibly use up \$260 million in the next fiscal year.

Mr. REAMS. I do not want to do that.

Mr. PHILLIPS. That is the amount we have, that is the amount that is available.

Mr. REAMS. I have the figures here of what has happened and what would happen at the minimum. I was very modest. I have an amendment on the desk now to do away with the time period, making it a fixed amount of \$52 million which I think is much too small. It is rather selfish because I am thinking of the institution of which I am trustee and for which I am speaking primarily; however, I am speaking for all the others that are just as worthy in this matter. I feel rather desperate about it. Two weeks ago I got a letter from the president of that university who told of the tragic death of a veteran who was living in one of these flimsy pine barracks which we put in there during the war. They are still living in those shantydormitories. One caught on fire, it burned this veteran to death and his wife barely escaped with her clothing on fire. I feel strongly about this. If I am assured that those that are just as worthy as the one I speak of will have an opportunity to be considered in the \$300 million, that is much better than the amendment I have pending and I shall withdraw it. If I have the word of the gentleman from California, chairman of the subcommittee, and the gentleman from Texas, that is all I want on this matter.

Mr. PHILLIPS. With only the restriction that we do not determine the individual institutions. Those are determined by the agency.

Mr. REAMS. That is agreeable.

Mr. PHILLIPS. But we will say there is enough money and there is no reason why they should not be taken care of and there are no restrictions that would work against your institutions.

Mr. REAMS. I thank the gentleman. That is very acceptable to me.

Mr. Chairman, the restriction proposed by the Appropriations Committee through this bill on the college housing loan program would virtually destroy a means of assisting colleges and universities that are bearing special burdens because of the defense effort and increased college population. These institutions, numbering about 200 located in 41 States, the District of Columbia, and 2 Territories, have been counting on this program to help them provide student

and faculty housing at reasonable cost to faculty and students.

The restriction proposed not only halts the program as to future applications, but breaks faith with many colleges and universities whose loan applications have already been tentatively approved and for whom fund reservations have already been made.

The college housing loan program provision was included in the Housing Act of 1950 with bipartisan support. It was clear by that time that college enrollments, which more than doubled when the veterans returned from World War II, would never return to their prewar figures. Even with the decline which followed tapering off of the World War II veterans program, college enrollments are still 50 percent above prewar and are fast rising again. All forecasts are that they will continue to rise steadily for at least the next 15 years. Korean veterans are beginning to return in substantial numbers. On many college campuses today they are having to use the temporary emergency housing provided after World War II through the Lanham Act—housing which was worn out years ago and in some instances fire-traps constituting a veritable campus slum.

Building on college campuses was stopped during the entire period of World War II, and ever since then they have been trying to catch up in the face of sharply rising costs.

The act of 1950 provided a \$300-million revolving fund for loans for college housing. It provided for a 40-year amortization period, which is necessary to keep the costs to students down, but which is not attractive to most private investors. It does not compete with private lending for two reasons: One is that the program contemplates that it be cooperative with private investment, with the Government selling the short-term portion of the notes to private bidders, and retaining the long-term portion. Another is that private investors are, under the program, given the first opportunity to make the loan. The program is carried without net cost to the Government, since the interest rate is tied to the long-term Treasury borrowing rate, with an added percentage which much more than covers administrative costs.

The administration, by Executive order, froze this program shortly after Congress enacted it as part of the inflation-control measures taken with the outbreak of the Korean war.

Since then the Bureau of the Budget has successively released portions of the fund so that approximately \$100 million were authorized for loans to the end of the present fiscal year ending next June 30.

Under this authorization granted for the current year, the Housing and Home Finance Agency has made certain definite moral commitments. It has also, in cases in which the loan appeared to meet all requirements but the legal and engineering technicalities had not been completed, made tentative commitments by setting aside funds against the proposed loan.

The action proposed by this bill is retroactive in that it goes back to December 31, 1952, and tells the Housing and Home Finance Agency that it cannot loan more than \$21 million above the amount for which it had made final moral commitments at the end of 1952. There were \$41 million in such loans, so that the limit of an additional \$21 million would hold the total program through 1954 to \$62 million. Since an additional \$10 million has been legally committed since December 31, the amount of new money available for loans during the rest of this and next year would be only \$11 million. Against this \$11 million the Housing and Home Finance Agency has already made tentative reservations of \$42 million. Under the bill, it will be impossible to honor \$31 million of this \$42 million which colleges and universities were told was set aside for them under full legal and administrative authority and on the basis of which they have incurred architectural, engineering, and other substantial expenses.

There are in addition \$65.5 million in pending applications which could not even be considered. All told, at least 200 colleges and universities in 41 States and 2 Territories are involved.

The argument has been made that this program ought to be handled entirely by private financing, perhaps on a Government loan-guaranty basis at the instance of the Bureau of the Budget. Studies are under way on this point in the Housing and Home Finance Agency, to determine whether it could be done without a shortening of the amortization period or increase in rates, either of which would make rentals to students prohibitively high.

What the results of these studies will be cannot now be determined but when they are completed they will be submitted to the appropriate committee of the Congress for review and legislative action, with an opportunity for all parties to be heard.

Until that time, this program should not be destroyed without any substitute in sight to take care of these 200 colleges which with already inadequate facilities must handle in the next 10 years the largest load we have known in American education.

In the case of many of these institutions, the legislatures of the States have adjourned and gone home for 2 years, with the expectation that dormitory building needs in the next 2 years will be handled under this program. Debt limitations in the constitutions of Ohio and many other States make it difficult if not impossible to privately finance necessary buildings by nongovernmental capital.

Many private educational institutions have already incurred architectural and legal expenses which were based entirely on the premise of a program which would make construction feasible within their limited funds. There is a great need, that is evident. The Government should not break the commitments already made, whether legal or moral.

Mr. PHILLIPS. Mr. Chairman, I made a unanimous-consent request, and

I understood I made it with the understanding that it settled the matter and we could move on to the next item.

Mr. McCORMACK. Mr. Chairman, reserving the right to object, I want to ask one question. There has been some uncertainty as to the meaning of the words "not committed" which has been used interchangeably with the use of the word "approval." I can see where "not committed" might constitute the actual making of a contract or, rather, the approval would be the final action of the agency or the Administrator, and it would take a little time for the making of the actual contract.

Mr. PHILLIPS. Does the gentleman suggest "not contracted"?

Mr. McCORMACK. No, but I am going to ask my friend if it is fair for me to assume that it is the intention of the committee that the words "not committed" should be construed in the sense of an approval or final action by the agency.

Mr. PHILLIPS. I go along completely with those last two words of the gentleman from Massachusetts "final action."

Mr. McCORMACK. "Approval" meaning "final action" but the actual making of the contract may follow thereafter; is that right?

Mr. PHILLIPS. Yes.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

The CHAIRMAN. The Clerk will report the amendment offered by the gentleman from Illinois [Mr. McVey] as modified by the unanimous-consent request.

The Clerk read as follows:

Amendment offered by Mr. McVEY: Page 21, line 8, strike out "December 31, 1952" and insert "June 30, 1953."

The CHAIRMAN. The question is on the amendment offered by the gentleman from Illinois.

The amendment was agreed to.

Mr. POWELL. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. POWELL: Page 19, line 16, after "1949" strike out "\$2,587,100" and insert "\$2,604,600."

(Mr. POWELL asked and was given permission to revise and extend his remarks.)

Mr. POWELL. Mr. Chairman, I do not rise to make a speech. I just want to say what my amendment means. My amendment increases the appropriation for the office of Administrator \$17,500 in the Race Relations Office. This is the original figure asked for by the President before the Appropriations Committee cut it.

Mr. PHILLIPS. Mr. Chairman, will the gentleman yield?

Mr. POWELL. I yield to the gentleman from California.

Mr. PHILLIPS. I am very glad the gentleman brought that up. I would have brought it up yesterday if I had not thought we were consuming too much time. I am trying to find the page which breaks it down.

Mr. POWELL. Page 11 of the report breaks it down.

Mr. PHILLIPS. There is a duplicating area in all of these items that the gentleman calls attention to. There are 7 such items: Racial relations, division of information, division of plans and programs, division of law, division of housing research, divisions having to do with regional offices and other institutions. We found when, under Reorganization Plan 3, the Office of the Administrator was set up, instead of having these functions in each agency, that another level had been added in the Office of Administrator.

If the gentleman will permit me, I have found what I was looking for. On racial relations there is one in the Office of Administrator, there is one in IHA in the central office, there is an office for the field, making a total for that particular function of 8 professional and 8 clerical employees, or a total of 16 spread over the 3 functions. In Information we find the same thing. Six of the sections have the same thing. So, we simply said that this top supervisory level was to be cut 50 percent.

Mr. POWELL. Does the gentleman feel that such a cut in that particular field is justified? It is such a big budget, of half a billion dollars, yet the gentleman is not talking about only \$17,000. For this little sum you are cutting race relations in half.

Mr. PHILLIPS. The answer is we did, because for several years we thought that these functions in the office of the Administrator had been duplicating functions in the field. I think others agreed with us that here was a very good area for economy by cutting down what was not intended, and I suggest to the gentleman it was not intended in Reorganization Plan No. 3 that this duplicating agency should be set up as an administrative agency.

I am suggesting that we have no intent in any way to interfere with this function in the field, where this work really takes place, but I do not think the gentleman, any more than I, would want to set up administrative people here in Washington to carry out a function which should be carried out in the field. When we leave them 3 people in Washington we leave them enough to supervise, and the gentleman will then have 16 people in the field just as they were before.

Mr. POWELL. My interest in this stems from the fact that the appropriation was asked for by both the Eisenhower administration and the Truman administration. It is one they both agreed on in their requests. You have cut it. They and I want to restore it.

Mr. PHILLIPS. The gentleman realizes this was not a cut directed at that agency exclusive of any others. The same cut and even greater cuts were made in all the other items.

Mr. POWELL. I realize that.

Mr. PHILLIPS. The legal functions, the budget functions, the personnel functions, the information functions, all of them, we felt, at that level, and it was very obvious to the people who go through the departments of the Government, represent an area where economies might well be made.

Mr. POWELL. It just seems to me that in the particular filed of race relations, where both our present President and our past President agreed that \$35,000 was the amount necessary to be spent, there should be no cut. That was a pretty small amount originally to spend on race relations. I am sure everybody here, Republican and Democrat, North and South, is interested in this problem. We all want progress. How ridiculous to quibble in a billion-dollar budget over \$17,000.

The CHAIRMAN. The time of the gentleman from New York has expired.

(On request of Mr. JAVITS, and by unanimous consent, Mr. POWELL was allowed to proceed for 2 additional minutes.)

Mr. JAVITS. If the gentleman will yield, it is impossible for us, and the gentleman is so correct, to determine here on the floor how many supervisors are needed on these details. I would feel, and I hope the gentleman would be satisfied with the statement of the chairman of the committee, that it is not intended in any way to terminate this activity or to hamper it. The only effort is to make it more efficient. Then that will at least allow the situation to be righted if it should appear to require righting. What does the gentleman think of that?

Mr. POWELL. I do agree completely with Mr. JAVITS. I do not see how that reasoning follows through. Mr. Eisenhower in his message asked for 4.5 man-hours to man this particular office, at \$34,900. That is now reduced to \$17,500 which means 2.2 man-hours. It cuts the number of man-hours in half for this particular office.

Mr. JAVITS. I agree with the gentleman, and I shall support his amendment. I was only trying to get a way in which we could be assured that that activity would be continued regardless of what happened.

Mr. PHILLIPS. If the gentleman will yield further, I do not want any misapprehension to exist. Mr. Eisenhower did not specifically endorse this amount or this number of people; that is, the Budget Bureau did not. Our recommendations are addressed to the office of the Administrator as areas in which we expect the cuts to be made.

Mr. POWELL. What does this memorandum mean that I have received from the Bureau of the Budget? It clearly states that the 1954 fiscal year request is for 4.5 man-hours at \$34,900. I have just received the information from the Bureau. That is a specific request. I know nothing except what the Bureau informs me. Frankly, I do not even know who the people are who are now employed. This is a memorandum I just received from the Bureau of the Budget. It is what the President felt was a decent minimum for race relations. I agree. I ask for a vote to support our President, race relations, and orderly progress.

Mr. PHILLIPS. I cannot identify it at the moment with the request before the subcommittee.

The CHAIRMAN. The time of the gentleman has expired.

Mr. KLEIN. Mr. Chairman, I move to strike out the last word and rise in support of the amendment.

(Mr. KLEIN asked and was given permission to revise and extend his remarks.)

Mr. KLEIN. Mr. Chairman, I do not want to delay this any further. I, too, am impressed with the fact that the subcommittee appears to be quite cooperative in trying to work it out. I would like to ask the chairman, the gentleman from California: Is not it a fact, however, that the staff of the Racial Relations Service which you are cutting here in Washington by 50 percent, has been used not only by this particular agency or any particular agency alone, but has been used throughout the Government and in private industry to advise on housing problems with regard to minority groups, and that by cutting this, you are going to take that service away and we will have to do without it? We all know what happens if you leave it up to individual realtors or those who are selfishly interested only in profit, to spend money for such a purpose.

Mr. PHILLIPS. I will say to the gentleman very frankly, I was not aware of that. It seems to me that if that is so, that the matter should be discussed. The people we show in that office total six. The gentleman from New York is correct on that. We left half of those people there plus the 16 people in the field, which makes 19 people on that particular subject. It seems to me that ought to be enough. Does it not seem so to the gentleman?

Mr. KLEIN. May I just take a couple of minutes and I might be able to convince the gentleman on this very important problem, as the gentleman from New York who preceded me pointed out. It is a problem I know in which every Member is interested, whether you favor public housing or not, or whether you feel there should be no public housing at all. The question involved here is one of race relations, and the fact that poor housing conditions very often lead to very bad racial relations. I know we all want to correct that situation.

THE PROBLEM

In acquiring decent housing, Negro and other racial minorities experience difficulties beyond those which confront others. The census of 1950, while indicating significant improvement in the housing conditions of nonwhites since 1940, reveals that 27 percent of nonfarm homes of nonwhites were dilapidated as compared to 5.4 percent for whites. Not only was the proportion of overcrowded dwellings occupied by nonwhites four times as high as that for whites but the extent of overcrowding among nonwhites had actually increased in 1950 over 1940. At the same time, the annual incomes among nonwhites more than trebled, according to census data, and their economic and cultural status improved substantially. Census data also show that nonwhites receive less housing value per dollar spent than do whites. These are the inevitable results of the practices of most realtors, lending institutions and builders which have tended generally to exclude nonwhites

from the better housing and the newly developed neighborhoods, and thus constrict them generally into the poorer housing and largely within the more crowded, blighted, and slum areas. Efforts to move out of these racial ghettos into better housing and good neighborhoods, commensurate with their improved economic and cultural status, have generally been thwarted by traditional beliefs or unreasoning prejudice.

THE SERVICE

To meet and overcome these special problems and assure fair distribution of benefits to all racial groups, the housing agencies of the Federal Government have utilized the skills of specialized personnel, trained and experienced in the application of sound planning and economics to overcome the special problems facing racial minorities in acquiring adequate housing and home finance. In the central offices, some of this personnel serves as integral parts of the top administrative office and assists in the formulation and development of Agency-wide policy; in the field offices, other elements of this specialized personnel assist the directors and their staffs to carry out Agency policies. This personnel in the Washington and field offices of the several agencies has come to be considered as the racial relations service.

HOW THE SERVICE FUNCTIONS

This type of operation originated in the public housing program as administered by the Public Works Administration and the United States Housing Authority. Headed by an assistant to the administrator of the agency, the racial relations staff in the Washington Office assists in the formulation and execution of the basic policies, procedures and operations of the agency to assure equitable participation of minority groups in all aspects of the programs and operations. To this end, this specialized staff in Washington participates in top-level administrative meetings where policies are formulated, reviews policy and procedural documents prior to release to the field, defines objectively the special problems faced by minorities, develops practical techniques to overcome these problems, reviews and evaluates the day-to-day agency operations, develops policy and procedural revisions to improve operations, implements the Federal nondiscrimination employment policy, assembles and disseminates experience in the housing of minorities, interprets agency programs and policies to minorities and reflects the minority viewpoint and considerations to agency personnel.

In the field offices, racial relations personnel assist in the execution of the agency programs, policies, and procedures. They supplement and evaluate analyses of local housing markets and pertinent economic and social data; review and pass upon the selection of sites; evaluate employment in the planning, construction and management of Federally-aided projects; appraise and assist in carrying out plans for the relocation of families displaced by slum clearance; assist local officials, builders and community leadership in the production

and distribution of housing; effect revisions in agency policies and procedures; anticipate and preclude the rise of racial problems and overcome them when they do arise.

ACHIEVEMENT IN PUBLIC HOUSING

The prime objective of the Racial Relations Service is to see to it that Negroes and other nonwhites share in the Agency program in accordance with their needs. As of December 1951, for example, Negro families occupied 70,313 of the 186,886 permanent public housing dwellings—over 37 percent of the total program. Some 100,000 additional permanent dwellings, now under construction or planned, will go to Negro families. Further, Negro building trades workers have been paid over \$78 million in the construction of these projects. This degree of employment in construction labor—skilled, as well as unskilled—is largely due to the implementation by the racial relations personnel of specific nondiscrimination employment policies adopted by the Agency many years prior to the rise of the FEPC approach.

Acting as the Agency liaison with the Fair Employment Board of the Civil Service Commission and the President's Contract Compliance Committee, the Racial Relations Service is able to advance employment gains in the various operating units. There are some 5,000 Negroes employed now in the administration, management, and maintenance of public housing programs all over the Nation. Among these are management, tenant selection, and relocation supervisors, statisticians, economists, accountants, analysts, architects, lawyers, engineers, and an extensive corps of managers and management aides in charge of more than 250 projects or parts of projects all over the country. Gunnar Myrdal of the University of Stockholm has this to say on page 350 of his *An American Dilemma*:

Indeed, the United States Housing Authority [now the Public Housing Administration] has given him [the Negro] a better deal than has any other major Federal public welfare agency. * * * The main explanation, however, is just the fact that the USHA has had the definite policy of giving the Negro his share. It has a special division for nonwhite races, headed by a Negro who can serve as a spokesman for his people.

SERVICE TO OTHER FEDERAL HOUSING AGENCIES

From its inception in the late 1930's, the Racial Relations Service has developed an extensive body of policy, procedure, principles, and techniques which constitute integral components of overall Agency operations. Based upon this cumulated and successful experience, this Service and its personnel have gradually been augmented and extended into the Washington and field offices of the Federal Housing Administration, the Division of Slum Clearance and Urban Redevelopment, and the coordinating Office of the Housing and Home Finance Administrator. In these agencies, the emphasis is upon mobilizing private financing, planning and building resources to meet the private housing needs of the expanding middle-income market among Negroes and other racial minorities and increasing the employment of other qualified nonwhites

throughout the operating staffs of the agencies. Stimulated by the Federal agencies, assisted by racial relations services, private capital has stepped up its investment in production of homes available to Negroes. In the past 4 to 5 years, more new private housing has been built for sale and rent to Negroes than in an entire generation before. Recognizing the growing needs in this field and the attainments of these advisers, the Federal Housing Administration is now recruiting five additional zone racial relations advisers.

In the new slum clearance and urban redevelopment program, racial relations personnel are in position to affect the planning of redevelopment projects and enforce the statutory requirements regarding the rehousing of displaced families. In the Office of the Administrator, this personnel serves to coordinate the racial relations operations throughout the constituent agencies to the end that all agency resources are focused upon overcoming the special housing problems of minorities. The role of the racial relations personnel in FHA, DSCUR, and OA is to adapt and apply, in the Washington and field offices of these agencies, the principles and techniques developed over a period of 15 years of trial, error, and refinement. Several of the current staff have been in racial relations operations 10 to 15 years and most of them have qualified for and attained permanent civil-service status. Broad training, sound racial attitudes, and specific experience in intergroup negotiations and adjustments have been the criteria for recruitment without regard to the race, religion, national origin, sex, or political affiliation of the individuals. The National Association of Intergroup Relations Officials accredits the operations of racial relations personnel in housing as a governmental career service of tested accomplishment and merit.

COOPERATION WITH INDUSTRY AND CONSUMER GROUP ORGANIZATIONS

One of the chief functions of the specialized personnel of the Racial Relations Service is to interpret to national organizations and their local affiliates the potentialities of the governmental housing programs, and to reflect the problems, needs, and viewpoints of these organizations to the Federal housing agencies. As a result, there has been an increasing understanding of the techniques of coordinated attack upon the housing needs of racial minorities as an integral part of the total housing needs of the local community and of the proper role of governmental agencies in supplementing local and private resources as part of this attack. Such organizations as the National Association for the Advancement of Colored People, the National Urban League, National Council of Negro Women, National Association of Colored Women, Inc., Fraternal Council of Negro Churches in America, American Friends Service Committee, American Council on Human Rights, National Association of Intergroup Relations Officials, National Committee Against Discrimination in Housing, National Association of Real Estate Brok-

ers, National Negro Business League, American Federation of Labor, Congress of Industrial Organizations, Elks and Masons Lodges, National Negro Insurance Association, National Bankers Association, National Builders Association, American Savings and Loan League, through consultation and cooperation with Federal racial relations personnel, have taken on increasing responsibility to advance some phase of the national housing program. In many instances, these organizations have undertaken specific financing and production programs calling for closely coordinated activity by their local affiliates and the racial relations personnel in the governmental housing agencies.

Mr. JAVITS. Mr. Chairman, will the gentleman yield?

Mr. KLEIN. I yield.

Mr. JAVITS. It seems to me that the fulcrum is so small, as both my colleagues from New York have pointed out, considering the end to be served, which is so very great in the improvement of social relations that I hope very much the subcommittee will see fit to accept this amendment.

Mr. KLEIN. I hope they will, but I would feel better if I heard a statement from the Chairman to that effect.

The CHAIRMAN. The time of the gentleman from New York has expired. (By unanimous consent, Mr. KLEIN was granted 2 additional minutes.)

Mr. McCARTHY. Mr. Chairman, will the gentleman yield?

Mr. KLEIN. I yield to the gentleman from Minnesota.

Mr. McCARTHY. The gentleman will recall that in the state of Union message President Eisenhower stated that "Much of the answer—to question of discrimination—lies in the power of fact fully publicized." It seems to me this is one agency in which some positive action can be taken by the administration at least to determine and publicize facts. I feel therefore we should give the executive branch the full appropriation requested through the Bureau of the Budget.

Mr. KLEIN. I might point out further that the 1953 appropriation provided for an amount of over \$34,000 for this service. Before Mr. Truman went out of office, in the proposed budget they suggested \$34,500. The present budget, the Eisenhower budget, requested \$34,900, a few hundred dollars more than the previous administration. Now the committee has cut it 50 percent.

I appreciate we are talking about millions and billions of dollars and I am taking up your time with \$17,000. But I am thinking of the good we can do by simply keeping this appropriation where it is. These people have done a job not only in the housing agencies, as I pointed out, but as experts they have been called upon by the private lending agencies with regard to setting policy, when these houses are built, so as to provide for the nonwhite people who cannot get out of these ghettos where they are forced to live now, regardless of their economic status.

Mr. McCARTHY. Even though it appears to be a duplication, the problems

in the field of public housing are different from the problems arising in the private housing insurance program.

Mr. KLEIN. I believe so. I hope this amendment will be adopted.

The CHAIRMAN. The time of the gentleman from New York has again expired.

Mr. PHILLIPS. Mr. Chairman, I rise in opposition to the amendment, and I will speak very briefly. We are not in conflict with the intent of the gentleman from New York [Mr. POWELL], the gentleman from New York [Mr. KLEIN], or the gentleman from New York [Mr. JAVITS]. We simply feel that our experience with this agency indicates that it has enough money, and I suggest a "no" vote on the amendment.

I would like to say that we welcome a little saving of \$17,500 just as much as we would welcome a saving of \$17 million.

Mr. MASON. Mr. Chairman, will the gentleman yield?

Mr. PHILLIPS. I yield to the gentleman from Illinois.

Mr. MASON. Can we advance civil rights by keeping on the payroll men who are duplicating efforts in the field? That is exactly the crux of this situation.

Mr. PHILLIPS. I would not like to enter into a discussion of civil rights. I say we are simply trying to save \$17,500.

Mr. YATES. Mr. Chairman, will the gentleman yield?

Mr. PHILLIPS. I yield to the gentleman from Illinois.

Mr. YATES. I think the amendment is well grounded. I know that the people who have been handling these racial problems in public-housing projects throughout the country have done a very fine job. I think it is a mistake to take such a shortsighted attitude toward this appropriation and cut it in half. There is not that much money involved in this particular appropriation. I certainly believe the amendment offered by the gentleman from New York should be agreed to.

Mr. POWELL. Mr. Chairman, will the gentleman yield?

Mr. PHILLIPS. I yield.

Mr. POWELL. I just want the record straight that this money has nothing whatsoever to do with civil rights.

Mr. PHILLIPS. I agree with the gentleman.

Mr. Chairman, I ask for a vote.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York.

The question was taken; and on a division (demanded by Mr. POWELL) there were—ayes 28, noes 80.

So the amendment was rejected.

Mr. KERSTEN of Wisconsin. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I want to use just a portion of this time to address myself to the issue that immediately preceded the one involved in the last vote. I refer to the proviso on page 21 commencing in line 5 dealing with aid to private institutions, the date of which has now been advanced to June 30 of this year. As I understand this question of aid to private institutions by way of loan and not grant, it is

one that we should very seriously consider. I recall last year, I believe it was, we made a loan of \$90 million to India, for the purchase of grain. I understand from one Member who has just come from that country that that grain grant actually upset the market and that they really did not need the wheat.

But here we have the proposition of aid to private educational institutions in the United States which are in real need of assistance. The private educational institutions of this country are having rough going during this period. The institution in my district, Marquette University which has an NROTC and an ROTC has been doing a magnificent work in educating American youth and has had the benefit of one of these loans. Theirs is eloquent testimony of the success which this program has been to private institutions.

I think when the chairman of the committee goes to the other body the committee will very seriously consider carrying on this program in a substantial way. This pertains to something that is vital to the United States. A very large portion of our educational system is the private educational system, and the system has been having great difficulty during the past several years competing with tax-supported educational institutions. These are not grants, they are not gifts; they are loans to private educational institutions, one of the traditional bulwarks of democracy. These institutions must carry on; they should be supported.

(Mr. KERSTEN of Wisconsin asked and was given permission to revise and extend his remarks.)

Mr. SEELY-BROWN. Mr. Chairman, I move to strike out the requisite number of words.

(Mr. SEELY-BROWN asked and was given permission to revise and extend his remarks.)

Mr. SEELY-BROWN. Mr. Chairman, I take this time to ask the chairman of the subcommittee or a member of the subcommittee a question continuing the line of questioning developed by the gentleman from New York [Mr. JAVITS] when this section was first read. At that time, the gentleman from New York [Mr. JAVITS] asked a question which brought a direct and specific answer regarding the status of those housing projects under annual contribution contracts. It was my understanding that those projects which are under annual contribution contracts would be taken care of in the language of the bill as presently written. I would like to ask a question concerning those contracts which are not as yet in that stage of development.

New London, Conn., has requested a preliminary loan contract for 176 units. That represents a program reservation. This application is on a list to be submitted to the President for approval in order that a preliminary loan contract may be entered into. It is my understanding that there are many projects in this category which are in the process of being submitted to the President. I have been advised by the new Administrator that the particular

project to which I refer will be transmitted to the President with a recommendation for approval. It is important to me and important to the people in my community if we could be advised as to what will be the status of contracts in this particular stage of development.

Mr. COTTON. Mr. Chairman, will the gentleman yield?

Mr. SEELY-BROWN. I yield to the gentleman from New Hampshire.

Mr. COTTON. May I ask the gentleman in order that I may be perfectly sure, these proposed units in New London, in which he is naturally so keenly interested, have not yet formally been recommended and no contract has actually been executed?

Mr. SEELY-BROWN. That is correct. They represent a program reservation which the Public Housing Administration has made.

Mr. COTTON. I would be compelled to say to the gentleman that if the bill is passed in its present form it would be my opinion those would not be included. In other words, those would be stopped unless the agreement is entered into before the termination of the present fiscal year and within the 35,000 units as at present prescribed.

Mr. YATES. Mr. Chairman, will the gentleman yield?

Mr. SEELY-BROWN. I yield to the gentleman from Illinois.

Mr. YATES. As I understood the colloquy on the floor yesterday between the chairman of the subcommittee, the gentleman from New Hampshire and myself, if the parties have reached the point where they have entered into annual-contribution contracts and these contracts were bona fide and valid and not for the purpose of leapfrogging, it is the intention of the committee that the units covered by the contribution contracts should be completed.

Mr. SEELY-BROWN. As I understood the colloquy that took place earlier, if you have participated in the annual-contribution contracts you will be taken care of by this bill.

Mr. YATES. You may still continue to construct the units.

Mr. SEELY-BROWN. But I am talking about an area in which we have a program reservation that has been made by the Public Housing Administration. We are waiting for the signature of the President authorizing a preliminary loan contract. It is my understanding that it is coming up from the Housing Administration downtown with the recommendation that the President approve it.

Mr. YATES. That is within the 35,000 limitation that was placed in the bill last year.

Mr. PHILLIPS. The way the gentleman states it, he is taken care of. That comes under the limitation of this year.

Mr. YATES. It comes in under the limitation this year.

Mr. PHILLIPS. That has nothing to do with the limitation of next year.

Mr. SEELY-BROWN. In other words, since we have gotten this far along in our negotiations with the Government, our 176 units will be included, if the situation is as I have described it?

Mr. PHILLIPS. There is only one question. I think the gentleman is taken care of. The figure given us in committee was that they had committed up to the time of the hearing 32,088 units. The gentleman from Illinois gave a different figure.

Mr. YATES. Approximately 34,950 by June 30 of this year.

Mr. PHILLIPS. I think the gentleman's units are probably in that figure, but it seems to me we should find out about that. The gentlemen's 176 units seem to me to be in the figure given by the gentleman from Illinois.

The CHAIRMAN. The time of the gentleman from Connecticut has expired.

(By unanimous consent, Mr. SEELY-BROWN was allowed to proceed for 2 additional minutes.)

Mr. SEELY-BROWN. If I may continue my questioning of the chairman of the subcommittee, I am still confused because of the fact that in the information which I received in my office from the Budget Officer of the Public Housing Administration, he indicated by telephone, at least, in talking with my office research staff, that under the terms of the bill as it is presently written, units such as the ones I referred to would be dead, and that the only ones which this bill would provide for were those presently under annual contribution contracts. Whether I am reporting his words exactly or not, I am not sure, but I certainly believe I am reporting the information which he gave to my staff.

Mr. PHILLIPS. I would not agree. We should explore the statement of the Budget Officer.

Mr. JAVITS. Mr. Chairman, will the gentleman yield?

Mr. SEELY-BROWN. I yield.

Mr. JAVITS. There seem to be three segments to this thing. One we have cleared, the actual annual contribution contracts. The other two remain in a somewhat twilight zone, first, those who signed preliminary loan contracts, about 120,000 units. Nobody has said either way about them.

Mr. PHILLIPS. They are in.

Mr. JAVITS. According to the chairman of the subcommittee, the units which are covered by preliminary loan contracts may continue and be constructed.

Mr. PHILLIPS. I would say yes.

Mr. JAVITS. The third category is the gentleman's category of a project which was almost at the point of signing, and there, as I understand it from the chairman of the subcommittee he says if that fits in which the allocation which has been authorized by the Congress of 35,000 units for a preceding year, or for the current fiscal year, then it will be part of the program. Do I understand that is correct?

Mr. PHILLIPS. That is correct.

Mr. JAVITS. That is as I understand the situation.

The CHAIRMAN. The time of the gentleman from Connecticut has again expired.

Mr. SADLAK. Mr. Chairman, I ask unanimous consent that the gentleman may be permitted to proceed for 1 ad-

ditional minute to complete his statement.

The CHAIRMAN. Is there objection to the request of the gentleman from Connecticut?

There was no objection.

Mr. SEELY-BROWN. In other words then, it is my understanding that since we have a program reservation presently with the Public Housing Administration, and since the Administrator will recommend to the President the signing of this preliminary loan contract, that we should be in the clear.

Mr. PHILLIPS. Now the gentleman is using a term that we do not quite understand. What do you mean by "program reservation"? You mean your people have been down there and talked to the Housing Authority and they said, "Sure, we want to build a lot of houses; we will take you in; we will put you on the list." If that is so, it seems you come under our stipulation against leap-frogging, unless you come in under the 35,000, in which case you are all right.

Mr. SEELY-BROWN. I would describe the situation in different words than those used by the Chairman. I do not want my people penalized by the delays in action which always accompany any change in administrations or Administrators.

(Mrs. KELLY of New York (at the request of Mr. CELLER) asked and was given permission to extend her remarks at this point in the RECORD.)

Mrs. KELLY of New York. Mr. Chairman, the United States, in conjunction with the free nations of the world, has been gearing its economy to protect our way of life; to protect the basis of our civilization, our freedom, and our homes. Our leaders are depending on the military and moral forces to maintain these principles. Yet, at the same time, they are abusing these basic laws in an endeavor to carry out their campaign pledges to economize and balance the budget. All Americans agree that there is need for this economy, but to reduce expenses by impairing the health and welfare of our people is foolhardy.

Foremost in this economy move, engineered by this Republican administration, is the reduction in funds for the building of low-cost housing. This is forcing the burden of reduction in expenses on the home, while at the same time it is anticipated big business will be treated to a cut in taxes by allowing the excess-profits tax to expire on June 30.

In 1949, the public-housing program was given bipartisan support. Originally, it called for 810,000 units. But the program has been limited to 50,000 units a year by the same congressional bloc that now controls the Republican administration.

The first regular appropriation bill which is before us today—and I want to point out that it has taken 3 months for the administration to get it to this point—provides \$451 million for 22 independent agencies of the Government for the fiscal year beginning July 1. If enacted, this law would prohibit the sponsoring of any new construction by

the Public Housing Administration; this despite President Eisenhower's expressed desire to keep new construction at the present minimum of 35,000 units. The President should make his views public at this time. He has been free to present his requests to the Congress on other matters, and, in my opinion, he must not neglect this all-important issue.

The slash in housing funds would have a most deplorable effect on the city of New York. To quote Mayor Impellitteri:

It would cut the heart out of the city's efforts to clear slums.

It would mean the abandonment of 19 housing projects scheduled for construction in various parts of the city, at a cost of \$300 million.

This reduction would also mean—

Asserted the mayor—

a loss to the city of 24,000 low-rent apartments.

Mayor Impellitteri has pointed out that this represents fully 60 percent of the city's scheduled allocations under the Housing Act of 1949. It would end the planning of homes for families in the low-income bracket.

The demand for housing is almost beyond estimation. Since the low-rent public housing is limited to families residing on the housing sites and to veterans, no nonveterans can be accepted even though they have been evicted onto the street. When the committee recommended in its report on this bill, "Many projects are having difficulty in completing occupancy of such facilities," it certainly was not referring to our projects in New York City. Applications I have received from veterans alone would fill an entire project.

Mr. Chairman, I would like to ask the committee where, in any public-housing project in the New York area, they found one single vacancy or a lack of qualified applicants for any project.

Mr. Chairman, the right to live in America under decent living conditions is truly the American way of life. Let us keep it that way. We can do it only by providing now those decent living conditions for those who so badly need them.

I want to incorporate in my remarks, the following excellent editorial on this subject which appears in today's New York Times:

FOLLY ON HOUSING

More than one-fourth of the so-called savings reported by the House Appropriations Committee in the independent offices bill comes under the heading "Reduction in Public Housing Units." What the committee proposes is to halt the Federal public housing program by forbidding further loans, annual contributions, or authorizations to start construction.

"The committee is of the opinion," says its report, "that continuation of this program is not justified and * * * that many projects where low-rent housing has been constructed are having difficulty in completing the occupancy of such facilities." Whatever may be the situation elsewhere, we wish to call attention to the statement of Mayor Impellitteri this week that the New York City Housing Authority had "more than 15 applications for each apartment that became available" during 1952 and that the demand

continues so great that "virtually no non-veterans' families, even those evicted on the streets, can be accepted for public housing." The slash in funds would mean deferment of 19 proposed housing projects in New York City embracing 24,000 low-rent apartments. Projects now under way would not be affected.

For Congress to suspend the already sadly reduced public housing program would be a disaster for such large urban centers as New York, which are in desperate need of the low-rent housing and slum clearance that the Federal law makes possible. The 1949 act originally authorized the start of 135,000 units annually; but this ceiling was cut to 50,000 in 1951 and to 35,000 in 1952, inadequate figures at best, but certainly better than the 5,000-unit ceiling that the House tried unsuccessfully to impose last year. If the House now accepts the pennywise, short-sighted recommendation of its Appropriations Committee we trust that the Senate will—as it has previously done on housing bills—rescue the House from its own folly.

I feel it of interest in this connection to mention here that the Federal Government collected from the city of New York in internal revenue alone, approximately \$10 billion in the fiscal year that ended June 30, 1952. The exact figure is \$9,992,770,499. An additional \$2½ billion was collected in internal revenue from the remainder of the State of New York. This is more than twice the amount any other State contributes to the Federal Treasury.

The Clerk read as follows:

Capital grants for slum clearance and urban redevelopment: For an additional amount for payment of capital grants as authorized by title I of the Housing Act of 1949, as amended (42 U. S. C. 1453, 1456), \$20 million, to remain available until expended: *Provided*, That before approving any local slum-clearance program under title I of the Housing Act of 1949, the Administrator shall give consideration to the efforts of the locality to enforce local codes and regulations relating to adequate standards of health, sanitation, and safety for dwellings and to the feasibility of achieving slum clearance objectives through rehabilitation of existing dwellings and areas: *Provided further*, That the authority under title I of the National Housing Act shall be used to the utmost in connection with slum rehabilitation needs: *Provided further*, That section 110, subsection (e) of the Housing Act of 1949 is hereby amended to read: "Gross project cost" shall comprise (1) the amount of the expenditures by the local public agency with respect to any and all undertakings necessary to carry out the project (including the payment of carrying charges, but not beyond the point where the project is completed, and excluding expenditures for parks, playgrounds, public buildings, or similar facilities), and (2) the amount of such local grants-in-aid as are described in clause (2) of section 110 (d) hereof.

Mr. OAKMAN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. OAKMAN: On page 22, lines 12 and 13, after the word "completed" in line 12 strike out "and excluding expenditures for parks, playgrounds, public buildings, or similar facilities."

Mr. OAKMAN. Mr. Chairman, I would like to speak very briefly on the slum clearance and urban redevelopment section of the Federal Housing Act of 1949. The city of Detroit was the

pioneer of this formula now part of the Housing Act of 1949.

Up to this time we have cleared an area of approximately 100 acres of the worst slum area in the community. We have removed most of the buildings therefrom, have replatted and rezoned the property, and are offering it at a public auction sale on May 6 next. We are currently proceeding with an extension of this program which will double the total area, involving in all about 3,000 modern, decent housing units, where formerly the worst slum areas existed.

We like this project because we at the municipal level contribute our share to it. The subsidy going in is definitely determined once and for all. After the project has been sold and developed by private capital through private initiative and private management operates the development, the project pays full taxes and thereby strengthens the tax base of the local government. I believe we all agree that the great municipalities of America today have a very real tax dilemma. Congress and the Federal Government have recognized this for many years, and has been shown by the tens of billions of dollars of Federal grants-in-aid which have been given to the local governments.

The particular thing we wish to bring to the attention of the House and the Committee at this time is that in the new bill, H. R. 4663, it appears that one might interpret the new wording included therein that it would exclude Federal expenditures for parks, playgrounds, public buildings, or similar facilities as a charge to the new revised project, to the redevelopment. I have discussed this matter somewhat with the distinguished chairman of the subcommittee, the gentleman from California, and he feels that our fears are not well founded.

Mr. PHILLIPS. Mr. Chairman, will the gentleman yield?

Mr. OAKMAN. I yield to the gentleman from California.

Mr. PHILLIPS. If necessary I will take time to finish the explanation.

This is a technical point. No great amount of money is involved one way or the other. I am quite sure that all Members of the Congress, including the gentleman who has offered the amendment, will agree with what the subcommittee is trying to do.

What I would suggest, if the gentleman were willing to do it, would be that the gentleman not press the amendment here, then permit us to sit down and see just what the situation is and make absolutely sure that the amendment is correct, in the Senate or in conference.

This is what we are trying to do, and I think the gentleman is in agreement with us. Let us say there is an area in Detroit, or in San Francisco—I see my friend from San Francisco here—where an area has been laid out for an urban redevelopment or slum clearance project. In that, sometimes at the start and sometimes later, there are parks. Street areas are cut out, different areas of that kind are cut out and not included in the total area which is to be subject to the one-third-two-thirds support pro-

gram. Thus, the city has, in effect, gotten a credit, so to speak, for the roads, the parks, and all these other areas which are not part of the project strictly for financing purposes. They are part of the project in fact, but they are not for financing.

Having done that, and having set aside all these areas, then the Housing Administration sets up the one-third-two-thirds support program, two-thirds by the Federal Government and one-third by the community. Then, it turns around and in many instances, I think in almost all instances, gives the community credit for the parks, roads, and so forth, again, which, in the opinion of the subcommittee, is using the same item for credit twice.

That is all we were trying to do. We have no other intent. If the gentleman would be willing to do that and would be willing to help us work it out with his people in Detroit, and the same applies to San Francisco, we would be very glad to do it, because we have no other intention. I believe the gentleman will agree that he does not want a credit given twice for the same area. That is all there is involved in the whole discussion. I do not think it justifies a very long argument, I think the gentleman will agree, if we really will try to work it out.

Mr. OAKMAN. The present act, however, I might mention, does not permit the local government to use existing roads or alleys or any other public rights-of-way as part of the sponsor's contribution. Those have to be put in for free.

The CHAIRMAN. The time of the gentleman has expired.

Mr. PHILLIPS. Mr. Chairman, I ask unanimous consent that the gentleman may have 5 additional minutes.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

Mr. OAKMAN. I believe that we have the same thing in mind. I am glad to yield to the gentleman from California from the bay area who is on his feet.

Mr. MAILLIARD. Mr. Chairman, if the gentleman will yield for a question, which I would like to address to the gentleman from California [Mr. PHILLIPS], if I may, as I understand this picture, the intent of the committee was solely to prevent credit being taken for the same facilities on two occasions.

Mr. PHILLIPS. That is correct—but first by indirection and not deliberate—by having the land all removed from the area upon which the one-third-two-thirds financing division was to be made, and once having removed it from the area, turning around and giving credit to the city for that against the one-third, which practically makes this possible in many instances that the Federal Government pays for the entire project instead of the one-third, two-thirds division as we thought we set up in the law.

Mr. MAILLIARD. But it is your opinion that the law, as it now stands, will not permit the local community from taking the credit for money which they actually have invested?

Mr. PHILLIPS. I do not see how it could. And I am perfectly willing to see that it is so worded that it does not.

Mr. OAKMAN. I would just like to say that we all agree further that in and redeveloping of the slum area that one of the reasons that caused the slum area is that there was no planning and no playgrounds and no parks and no facilities for either passive or active recreation. There were not the proper ground surrounding the school and all of those things. We want these new projects, and I am certain the distinguished gentleman from California does also. I have discussed this matter with my distinguished colleague, the gentleman from Michigan [Mr. MACHROWICZ] in whose district most of these redevelopment projects are going on, and he has assured me that he will join with me in asking consent to have the amendment withdrawn on the basis that the distinguished chairman will cooperate to clarify the matter before the Appropriations Committee of the other body, if necessary.

Mr. PHILLIPS. Yes, indeed; there is no argument between you and the committee.

Mr. OAKMAN. Mr. Chairman, I ask unanimous consent to withdraw my amendment.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

The Clerk read as follows:

Annual contributions: For the payment of annual contributions to public housing agencies in accordance with section 10 of the United States Housing Act of 1937, as amended (42 U. S. C. 1410), \$32,500,000: *Provided*, That except for payments required on contracts entered into prior to April 18, 1940, no part of this appropriation shall be available for payment to any public housing agency for expenditure in connection with any low-rent housing project, unless the public housing agency shall have adopted regulations prohibiting as a tenant of any such project by rental or occupancy any person other than a citizen of the United States, but such prohibition shall not be applicable in the case of a family of any serviceman or the family of any veteran who has been discharged (other than dishonorably) from, or the family of any serviceman who died in, the Armed Forces of the United States within four years prior to the date of application for admission to such housing: *Provided further*, That all expenditures of this appropriation shall be subject to audit and final settlement by the Comptroller General of the United States under the provisions of the Budget and Accounting Act of 1921, as amended: *Provided further*, That no housing shall be authorized by the Public Housing Administration, or, if under construction, continue to be constructed, in any community where the people of that community, by their duly elected representatives, or by referendum, or by any other legal method, have indicated they do not want it: *Provided further*, That the record of expenditure of the Public Housing Administration and of the local housing authority on any public housing project shall be open to examination by the responsible authorities of any community in which such project is located, or by the local public housing authority, or by any firm of public accountants retained by either of the foregoing: *Provided further*, That no housing unit constructed under the United States Housing Act of 1937, as amended, shall be occupied by a person who is a member of an

organization designated as subversive by the Attorney General: *Provided further*, That the foregoing prohibition shall be enforced by the local housing authority, and that such prohibition shall not impair or affect the powers or obligations of the Public Housing Administration with respect to the making of loans and annual contributions under the United States Housing Act of 1937, as amended: *Provided further*, That the limitation in clause (2) of the third proviso under this head in title I of the Independent Offices Appropriation Act, 1953, is amended to read as follows: "(2) after the date of approval of this act, enter into any agreement, contract, or other arrangement which will bind the Public Housing Administration with respect to loans, annual contributions, or authorizations for commencement of construction, for any dwelling units or projects.

Mr. PHILLIPS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. PHILLIPS: On page 23, line 2, after the word "it" and before the colon, insert a comma and the following: "and such community shall negotiate with the Federal Government the repayment to the Government, only such money expended prior to the vote or other formal action whereby the community rejected such housing project."

Mr. PHILLIPS. Mr. Chairman, we are returning to the bill wording which had been in previous bills and which we thought by implication were here. The committee desires to make sure that it is understood that where a community withdraws from a project which had previously contracted with the Government for public housing, it shall be obligated for the Government advances. I do not wish that there be any misapprehension, because we have changed the wording a little from the year before. We have made it clear, I hope, that where the Federal Government continued to advance money against the desires of the community, after decisive formal action on the part of the community, that that money subsequently advanced—and I think improperly advanced—should not be involved in the negotiations. I think that is only fair. I do not think the Federal Government is required to force money upon a community that does not want housing and has so declared by the action of its council or by a vote. Other than that, there is nothing in the amendment that we have not voted upon favorably in previous years.

Mr. YATES. Mr. Chairman, will the gentleman yield?

Mr. PHILLIPS. I yield to the gentleman from Illinois.

Mr. YATES. There is nothing in the gentleman's amendment that attempts to remove any of the liability of a community to the Federal Government, is there?

Mr. PHILLIPS. We intend just the opposite. We intend to make it clear that liability does exist.

Mr. MACK of Washington. Mr. Chairman, will the gentleman yield?

Mr. PHILLIPS. I yield.

Mr. MACK of Washington. In one community in my district the city council, by a vote of 11 to 1, was in opposition to the construction of this housing project. Later the people voted against the project. The project has gone

ahead, despite these votes of the council and the community. The city would not be held liable for any payments beyond these dates?

Mr. PHILLIPS. I think that is the way it should be. The city of Los Angeles is in the same position. They were notified they were obligated for \$13 million, and accepted that, subject to the accounting processes. A year later they discovered to their surprise, and to my intense surprise, and the surprise to all members on the subcommittee, that although the head of the agency has said on the record that no more money would be advanced, the Federal agency had advanced \$8 million more.

Mr. YATES. Mr. Chairman, will the gentleman yield?

Mr. PHILLIPS. I yield.

Mr. YATES. If the language of the gentleman is inserted in the bill, it will be applicable for fiscal 1954. I am sure he did not mean to imply by his answer to the question by the gentleman from Washington [Mr. MACK] that the community that the gentleman represents can get out of its liability to the Federal Government as a result of this language.

Mr. PHILLIPS. The gentleman from Illinois raises the point of passing an *ex post facto* bill. We could not do that. The gentleman is technically correct. I do think that when a community sits down to negotiate with the Federal Government to decide what it owes, there will be an entirely different atmosphere if there is obviously this evidence that the Congress does not approve the past policy of forcing money on a community.

Mr. MACK of Washington. Mr. Chairman, will the gentleman yield?

Mr. PHILLIPS. I yield.

Mr. MACK of Washington. I think that is a wise solution of that problem, because the project to which I referred was forced on the community. The project will be 80 percent completed by the time of the enactment of this bill. If something like this is not done and the Government stops work on the project that project will stand there as a white elephant.

Mr. DONDERO. Mr. Chairman, will the gentleman yield?

Mr. PHILLIPS. I yield to the gentleman from Michigan.

Mr. DONDERO. On what theory does the Federal Government force money upon a community that does not want it?

Mr. PHILLIPS. I am in total disagreement with the idea that they should, but they have done so. I want to make it clear that the Public Housing Authority does not deal directly with the people of Los Angeles or the people in the gentleman's district in Washington, or anywhere else. The Federal agency deals with the local housing authority.

Mr. YATES. Certainly no contract is entered into without the consent of the local community.

Mr. PHILLIPS. I do not see how it could be, but I am advised it was done in the State of Washington. How could a contract be entered into without the consent of the local housing authority or the local community or the local officials?

The CHAIRMAN. The time of the gentleman from California has expired. (Mr. FORRESTER asked and was given permission to extend his remarks at this point in the RECORD.)

Mr. FORRESTER. Mr. Chairman, a morning paper carries the news item that on yesterday, Judge Alexander Holtzoff refused to enjoin the Commissioner of the Public Housing Administration from advancing Federal funds for a proposed housing project in Savannah, Ga.

This injunction was sought on the spurious claim that someone was discriminated against because this housing project would separate the races, although equal but separate facilities had been provided.

Judge Holtzoff denied the injunction because of the well-settled rule that the "separate but equal" doctrine does not constitute a violation of constitutional rights. Judge Holtzoff is completely correct in his ruling.

This ruling will of course be appealed. I sincerely hope that the Attorney General will not lend the assistance of his office to this appeal, for to do so could only mean that he would make his office a cheap political instrument to attempt to break down well-settled laws of our land, as well as all of the laws of nature. In cases of this kind, it would be impossible for the Attorney General to honestly defend his interference on the contention that he was appearing "as a friend of the court," for he could not possibly, by such appearance, be a friend of the court, or of the law, or of the people. His appearance would have to be judged as a partisan advocate for certain political groups and as an enemy of other groups. I well know that in the past few years two Attorneys General under Democratic administrations have set the pattern in appearing in these kind of cases. I hope the present Attorney General will realize what a terrible mistake it would be for his department to appear, and that he will dedicate himself to the restoration of the dignity of his office by refusing to follow such practice. Actually, such an appearance should be construed as an insult to the courts, and as an attempt to influence the courts.

Segregation will never be abolished by law. It would seem that everyone should realize that simple fact. As a matter of fact, I am segregated here. There are many in Washington who, because of their large financial standing as against my limited financial standing, and because of their environment in contrast to mine, would not find my company congenial, and for exactly the same reasons I would not be too happy in their company. But this does not mean that one of us is superior or inferior to the other. It simply means that the laws of nature are operating. But, should I feel this fact so keenly as to ask the courts to compel our mixing, that act would completely prove my inferiority. Equals will never resort to the law in such instances, but only those who are inferior as a matter of fact. This rule holds true with anyone who asks the courts to compel others to mix with them. If a per-

son truly believes in his heart that he is equal, that is sufficient, and that person is content to go his way unruffled by the attitude of those other persons. These statements may be challenged, but not successfully challenged.

Mr. Chairman, I sincerely hope that when this case reaches the United States Supreme Court our Supreme Court will recognize its duty to uphold and follow the well-settled law of our land, which is and always will be that equal facilities satisfies every constitutional concept. If that Court shatters our precedent, it will do so on the theory that it is the greatest lawmaking body on the face of the earth, and they will never be able to justify that action by any legal reasoning.

Mr. HOLIFIELD. Mr. Chairman, I move to strike out the last word and ask unanimous consent to proceed for 5 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

(Mr. HOLIFIELD asked and was given permission to revise and extend his remarks.)

Mr. HOLIFIELD. Mr. Chairman, the assistance which the Federal Government offers localities in connection with the low-rent program is designed for localities which want such assistance and which cooperate fully in the program. It is not the intention of the Congress that Federal assistance be forced on cities which do not want it, and it is, likewise, the oft-expressed policy of the Housing and Home Finance Agency and the Public Housing Administration that they have no intention whatsoever of forcing low-rent programs on unwilling localities. If any locality does not wish to proceed with a low-rent program, the units surrendered by it would be immediately snapped up by other cities ready and eager to proceed with their own programs.

The Los Angeles situation, where the low-rent program has become the object of a bitter local struggle, is a very peculiar and special case, for it involves a split between two branches of the local government. I would like to take 1 moment to make clear the record in this case.

In August of 1949 the city council unanimously approved a low-rent program and authorized the execution of a cooperation agreement between the city and the local housing authority. In October 1950 the Public Housing Administration, relying on the city's contract, executed a contract with the local housing authority for Federal assistance for 11 projects comprising 10,000 dwelling units. During the balance of 1950 and during almost all of 1951 the city council continued its support of the program and took such affirmative steps as approval of all sites, authorizing the sale of tax-deeded lands to the local authority, and approving necessary zoning changes for the projects.

Toward the end of the year, however, a change on the part of a few members of the council resulted in a shift in the council's position, with a majority of 8 to 7 against the low-rent program.

On December 26, 1951, the council adopted a resolution purporting to cancel the city's contract with the local authority. The mayor of the city, however, continued his support of the program which had already been contracted for. The local housing authority immediately challenged the action of the city council by filing suit in the Supreme Court of California to have the action of the council declared null and void and to force performance of the cooperation agreement. The council, however, assuming the validity of its cancellation, ordered a referendum election to be held on June 3, 1952, on the question of whether or not a low-rent program of 10,000 units should be initiated or reinstituted.

Because of this dispute between the mayor and the local housing authority on the one side and the city council on the other, the PHA, in order to give time for a local settlement of the matter, refrained for a period of nearly 10 months, from January 5 to October 27, 1952, from authorizing any further construction of projects—other than two small projects authorized prior to December 26, 1951—and stopped all further advances of funds to the local authority.

On April 28, 1952, the Supreme Court of California held by a unanimous decision that the city council could not cancel its cooperation agreement. The attorney general of the State, in agreement with the city attorney at Los Angeles, thereupon rendered a written opinion that the pending referendum election would be illegal and of no effect.

The court, however, declined to stop the referendum because of the lateness of the request to do so and because ballots had already been printed. The election therefore was held on June 3, 1952, and resulted in a vote of 378,000 to 258,000 rejecting the proposal to "initiate and reinstitute a program of 10,000 units."

On June 27, 1952, the Supreme Court of California, pursuant to its earlier decision, issued a writ of mandamus to the city council and the members thereof directing them to perform their obligations under the cooperation agreement. Relying on this writ of mandate, the local authority 3 days later issued orders to its contractors to proceed with the construction of two projects, construction of which PHA had authorized in 1951.

This complicated Los Angeles situation was considered by committees of the Congress and was debated in both Houses just prior to adjournment in July 1952. In the Supplemental Appropriation Act which became law in July 15, 1952, the Congress stated the conditions on which a contract similar to that in force in Los Angeles should be canceled by the Federal Government. In effect the Congress said that if, pursuant to an adverse referendum or council vote the PHA was tendered full repayment of all sums advanced by it, and if the local authority agreed to a release of the Federal Government, the contract with the Federal Government should forthwith be canceled.

Mr. PHILLIPS. Mr. Chairman, will the gentleman yield at that point?

Mr. HOLIFIELD. I yield to the gentleman from California.

Mr. PHILLIPS. I want to point out that the House used the word "negotiated."

Mr. HOLIFIELD. In the amendment that was adopted by the House.

Mr. PHILLIPS. And the Senate changed that to "tender." That produced some of the complications that arose.

Mr. HOLIFIELD. That is right. It is not my attempt at this time to do anything but just put the chronological facts in the RECORD.

On August 25, 1952, the mayor of Los Angeles joined with the housing authority in informing the city council that if it submitted to the people the question of a bond issue to raise the necessary funds to liquidate the obligations of the local authority and to repay the Federal Government, the local authority would refrain from the letting of further construction contracts, and upon provision of such funds would seek the cancellation of its contract with the PHA.

On October 13, 1952, the Supreme Court of the United States, to which the city council had appealed, denied the council's petition for a writ of certiorari, thus finally confirming by the highest court in the land the validity of the city's contract with the local authority. Because of this decision, the PHA felt obliged to authorize the local authority to proceed with the construction of other projects then ready to go ahead and, accordingly, in the next 3 months authorized the start of construction of 2,153 dwelling units in 6 projects.

Before making any further advances of funds to the local authority, the PHA sought the opinion of the Comptroller General of the United States as to its obligations under its contract with the local authority. On December 12, 1952, the Comptroller General rendered a written opinion that the Public Housing Administration was obligated to make further advances of funds to the Los Angeles Housing Authority, and that the contract could not be canceled except upon full reimbursement to the Federal Government of all advances made up to the time of cancellation. Pursuant to this opinion of the Comptroller General, the Public Housing Administration has made two further advances of funds to the local authority.

I am sure that all friends of responsible government, including the Housing and Home Finance Agency and the Public Housing Administration, regret the chain of events which has seemed to put the Federal Government in the position of continuing its assistance to a low-rent housing program after the voters of the locality have apparently disapproved the program.

But we must bear these facts in mind. The city council approved the program and voluntarily entered into a cooperation agreement with the local authority. If, before entering into this contract, the council had wished to submit the low-rent program to the judgment of the voters, it could easily have done so. This contract has been found legal and enforceable by the highest court of the State of California, and the Supreme

Court of the United States has refused to upset this decision. The vote of the people of Los Angeles, held nearly 3 years after the city council originally approved the program, though it indicated a popular disapproval of the program, nonetheless was without legal effect or validity. Moreover, the Comptroller General has ruled that the contract between the PHA and the local authority is a valid and enforceable contract under which the PHA is bound to continue the assistance for which it contracted. The Congress clearly stated the terms on which the city could secure a cancellation of this contract, but the city council did not take, and has not yet taken, the necessary steps to secure such cancellation. Under all these circumstances, I believe that despite the vote of the people, the PHA had no possible legal course other than to continue its assistance to the low-rent program of the Los Angeles Housing Authority.

But no matter what conclusion some Members of the House may reach as to what the Public Housing Administration would have done in this particular case, I contend that this case should not be used as a rationalization for scuttling the entire low-rent housing program. The people of Los Angeles may not want the public housing projects which are now being constructed there pursuant to legal contracts, but most certainly hundreds of other localities in the country want the assistance of the Federal Government in developing programs of low-rent housing for families being removed from the slums. Because of the very low income of many of these slum dwellers, private enterprise is unable to provide them decent housing within their means.

If the slums of our cities are to be cleared—and no one can deny that this is one of the major social objectives of our age—some accommodations must be found for these displaced families of very low income. The provision of low-rent public housing is the only way that has been advanced to date in which these families can be rehoused and the continuation of this program is absolutely essential if slum clearance is to proceed in the hundreds of localities which are anxious to eradicate their slums.

Low-rent housing projects have been constructed or are under development in over 1,000 communities. Only a handful of localities have expressed a disapproval of the programs undertaken in their communities. The controversial example of disapproval by Los Angeles should not in fairness be made the excuse for denying further assistance to hundreds of cities anxious to proceed in this essential part of their slum-clearance programs.

The CHAIRMAN. The time of the gentleman from California has expired.

Mr. HOLIFIELD. Mr. Chairman, I ask unanimous consent to proceed for 2 additional minutes to propound a question to the chairman of the subcommittee.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. HOLIFIELD. I want to ask if the words on line 18 "if under construction" would put the Federal Treasury in this position? Having advanced approximately \$13 million to the city of Los Angeles, and having subsequently advanced approximately a little less than \$8 million, would these words preclude the city of Los Angeles from any liability as to the additional \$8 million that has been advanced by the Federal Government?

Mr. PHILLIPS. I do not think the wording in the bill does, but I think the amendment I have just offered, except for the fact that \$8 million has already been spent, would prevent the same thing happening in the future to some other city. I am not sure that it would relieve Los Angeles of that responsibility, because it would be an ex post facto act, but I do think in the renegotiation between the city of Los Angeles and the Public Housing Authority that that should be taken into consideration. I think that was an unfortunate and uncalled for imposition on the people of Los Angeles.

Mr. HOLIFIELD. I might say I am in accord with the intent of the gentleman from California that no such procedure shall be advocated or sponsored in the future. However, I do want the House to know this, that in my opinion and I believe in the opinion of the subcommittee chairman, there is a possibility that the Federal Government will have to assume approximately \$8 million which has been advanced and, as I understand it, expended by the city of Los Angeles on the existing public housing program which is now under construction.

Mr. PHILLIPS. Of course, as a practical matter, I think that will be renegotiated.

The CHAIRMAN. The time of the gentleman from California has again expired.

Mr. PHILLIPS. Mr. Chairman, I move to strike out the last word. Let me first refer to the question asked by the gentleman from California.

Mr. HOLIFIELD. The question involved was the liability of the city of Los Angeles to repay approximately \$8 million which had been advanced and which, under this language, it seems to me, relieves them of this liability.

Mr. PHILLIPS. Putting it in brief language, I think legally Los Angeles is liable, but I think in negotiations that will be taken into consideration for the benefit of Los Angeles. I think even if we were to lose that \$8 million, or even if we were to lose all of the money advanced, which we would not, that we will probably be much better off than to continue these housing programs, particularly in areas where the housing programs are not desired. I cannot find it quickly, but there is a list of some 19 cities which made such contracts and then desired to be let out of the contracts.

Mr. HOLIFIELD. I am aware of that.

Mr. PHILLIPS. And I think there was a negotiation of the amount involved.

Mr. HOLIFIELD. The gentleman is as aware as I am that this is a very

technical legal controversy, and the fact that the vote in the city of Los Angeles was declared to be illegal by the State of California, and concurred in by the attorney general of the State of California, it has put a different light on this particular case. If the vote had been legal and recognized as being legal—and I am not capable of saying whether it was legal or not—then I think we would be in the same position that other communities throughout the Nation are.

Mr. POULSON. Mr. Chairman, will the gentleman yield?

Mr. PHILLIPS. I will be glad to yield to my colleague from California.

Mr. POULSON. I would like to ask my colleague this question: Is it not true that they are hiding behind the technicality of whether it was legal or not; that the people voted; that they expressed their opinion on the idea of whether or not the measure that they were voting on was legal or not?

Mr. HOLIFIELD. I think it was a clear expression on the part of the people that they were not in favor of it. However, I believe my friend will also admit that the supreme court of the State of California and the attorney general of the State of California ruled in advance that the election would be invalid. Is that not true?

Mr. POULSON. It is a little different in this way: They stated that while that was illegal, still, by mutual consent, they could dissolve this contract. Certainly we are doing it continually on all of our foreign affairs. We enter into an agreement with the various countries and then we turn around and give it all to them by agreement and negotiation afterwards. Certainly the city of Los Angeles, which is a part of the United States—at least, we contend it is—should have the chance to negotiate. The gentleman would agree on that?

Mr. HOLIFIELD. Certainly any negotiation which preserves the equity of contractual agreements and is mutually agreeable between the Public Housing Administration and the city of Los Angeles, or any solution determined by the courts in this case, would be agreeable to me.

Mr. POULSON. On the basis of an equitable agreement the Federal Government has a great deal to say to keep from spending about \$70 million more, so they could make a concession on the amount they would advance, and that could be an equitable agreement to keep from paying more. In other words, it would be just like an option.

Mr. McDONOUGH. Mr. Chairman, will the gentleman yield?

Mr. PHILLIPS. I yield to the gentleman from California.

Mr. McDONOUGH. I would like to inform both gentlemen from California that the question of negotiation and settlement on a legal basis or otherwise on the Los Angeles Housing Authority problem is a subject right now before the Government Operations Committee of which I am a member and I understand it will be a subject for investigation by the committee in the near

future. I am not assuming any authority to speak for the chairman of my committee, but I know that it is under consideration, and that problem will point up the whole problem as to who is responsible for what. Certainly the question of spending \$8 million after the last budget was adopted will be subject to thorough consideration if that hearing is held.

Mr. HOLIFIELD. I cannot assume any authority to speak for the chairman of the Committee on Government Operations either, but as a member of that committee I shall watch that investigation with interest.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California [Mr. PHILLIPS].

The amendment was agreed to.

Mr. YATES. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. YATES: On page 24, line 14, strike out all of line 14 after the comma, and strike out lines 15 through 21 and insert the following: "That not withstanding provisions of the United States Housing Act of 1937, as amended, the Public Housing Administration shall not with respect to projects initiated after March 1, 1949, (1) authorize during the fiscal year of 1954 the commencement of construction of in excess of 35,000 dwelling units, or (2) after the date of approval of this act, enter into any agreement contract or any arrangement which will bind the Public Housing Administration with respect to loans, annual contributions, or authorizations for commencement of construction, for dwelling units aggregating in excess of 35,000 to be authorized for commencement of construction during any one fiscal year subsequent to the fiscal year 1954 unless a greater number of units is hereafter authorized by the Congress."

Mr. YATES. Mr. Chairman, in view of the importance of this amendment, I ask unanimous consent that I may proceed for an additional 5 minutes.

Mr. PHILLIPS. Mr. Chairman, reserving the right to object, and I shall not object to this request, I do this only to point out I think we have been moving along so nicely and so rapidly, I would like in the future to object to any other requests for additional time.

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois [Mr. YATES]?

There was no objection.

Mr. PHILLIPS. Mr. Chairman, will the gentleman yield to me so that we may see if we can establish some sort of a time limit on the discussion of the housing amendment.

Mr. YATES. I am glad to yield to the gentleman.

Mr. PHILLIPS. I ask my colleague on the other side what would probably be a satisfactory time for both sides? Could we conclude in 30 minutes?

Mr. THOMAS. Mr. Chairman, if the gentleman will yield to me, I discussed this matter with our colleague, the gentleman from Illinois [Mr. YATES], and he suggested anywhere from 30 to 35 minutes. I suggest that you get unanimous consent to conclude debate on this amendment, and all amendments on the subject of public housing in 45 minutes.

Mr. PHILLIPS. Mr. Chairman, I

make that unanimous-consent request, and also to reserve the last 7 minutes to the committee.

Mr. JAVITS. Mr. Chairman, reserving the right to object. I think the gentleman's request is a little broad. There are sections on housing in other parts of the bill much further along than this, for example, on page 44, which certainly could have some connotation in respect to housing so far as administration and other aspects are concerned.

Mr. THOMAS. I will say that there is very little involved outside of the number of units.

Mr. PHILLIPS. In reply to the gentleman from New York, may I state that there is no other section in the bill having to do with public housing so it is limited to that. There will be no difficulty on that score.

Mr. YATES. Mr. Chairman, I understand the request is limited to the section which deals with the number of units authorized for construction.

Mr. THOMAS. That is public housing in all of its aspects.

Mr. YATES. What about the administrative expenses?

Mr. THOMAS. That is part of it.

Mr. YATES. There may be other amendments to that.

Mr. THOMAS. Of course, one would follow the other, and if the number of units is increased, the committee would offer amendments to bring it in line.

Mr. PHILLIPS. Let us limit it then to this section that has to do with this because the only other things are several other minor items having to do with administrative costs. Mr. Chairman, I ask unanimous consent that debate be limited to not more than 50 minutes with the last 10 minutes reserved for the committee.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. PHILLIPS. Mr. Chairman, I had intended that the gentleman from Illinois [Mr. YATES], of course, have his 10 minutes.

The CHAIRMAN. Without objection, debate is limited to 50 minutes, following the remarks of the gentleman from Illinois [Mr. YATES], with the last 10 minutes reserved to the chairman of the subcommittee, the gentleman from California [Mr. PHILLIPS].

Mr. WOLVERTON. Mr. Chairman, will the gentleman yield?

Mr. YATES. I yield.

Mr. WOLVERTON. Mr. Chairman, I ask unanimous consent to insert my remarks in the RECORD on this amendment, following the remarks of the gentleman from Illinois.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

Mr. YATES. Mr. Chairman, I hope the House can look at this issue objectively and dispassionately, without heat and without rancor. Let us look at the facts and try not to be distracted by side issues.

There have been all kinds of heated arguments with respect to public housing, its purposes and its faults, but I do

not think there are many Members of this House who are opposed to the slum-clearance program provided for in title I of the Housing Act of 1949. Even the chairman of our subcommittee, who is against public housing on the whole, is for slum clearance. He has stated that this bill contains an adequate amount of funds for the municipalities of the country to carry on their slum-clearance programs, and that is as it should be. We should all seek the elimination of the ruinous blight and shame of our cities—the slum areas—which are the spawning ground of all kinds of disease, of crime, of fear and ignorance, of demoralization, disillusionment, and despair. It is desirable, therefore, that this House make every effort to cooperate with the States and the cities to wipe out the slums. How do we go about doing this? We have to tear down the rat-infested buildings; we have to clean out the filth and decay; we must level the ground and start from the beginning again to construct decent, healthy places to live. But this is the easy part. The more difficult problems arise when we recall that people live in these slums. They live there not because it is their choice, but they live in the slums because they have no other place in which to live; they live in the slums because they cannot afford to move into better neighborhoods; they cannot afford to buy the new houses that are being built; they cannot afford to move into the high-priced apartments that are being constructed. If they could pay for better accommodations, is there one Member here who for a minute thinks they would stay in the slums and raise their children under the conditions that exist there? Of course not. They want sunlight for their kids, too. This poses a difficult question. What shall we do with these people?

Mr. McCORMACK. Mr. Chairman, will the gentleman yield right there?

Mr. YATES. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. Yesterday, I heard a speech made about indigency. I suppose that speech was based on the old Bible saying that "the poor will always be with us." Well, that is true, but the good Lord never said we should forget the poor and that we should permit them to continue to live under terrible inhuman conditions.

Mr. YATES. It is said, too, that "charity is the greatest virtue."

What are we going to do about those who are compelled to live in such abject surroundings? There are thousands of them. What are we going to do with these people? We cannot cart them away with the rubble of the broken buildings and dump them into some garbage heap. We cannot toss them into the air and expect the wind to come along and blow them away like the dead ashes that are scattered throughout their back yards. No. These are men, women, children, who require shelter. Obviously, if we are to clear the slums, these people require facilities for relocation. How do we propose to relocate them, if we are going to clear out the slums?

It is all well and good to say that these people can go out and buy themselves a house. It is easy to say they can go out and find a new place in which to live. Let us be realistic. Probably some of them who are living in these hovels, in these despicable surroundings, can do so, but there are many who live in these slums who just do not have the wherewithal to go out and buy housing accommodations for themselves on today's market.

Some Members of this House will get up and say that these people can go out and buy a house for nothing down and pay for it over a period of time. More easily said than done. As business people, would you sign a contract with a person earning less than \$3,000 a year and give him credit for the purchase of a house costing in the neighborhood of 10 or 12 thousand dollars? How is he going to pay for it? As a matter of fact, in my home community in Chicago one cannot buy a house for less than 10 or 11 thousand dollars, and a substantial down payment is required in connection with the purchase of that house. Obviously this is more than most people who will be displaced can afford to pay.

The statement is made, too, that private enterprise can take care of these people. The facts are—and they can be proved—that private enterprise up to the present time at least, is unwilling or unable to undertake the construction of the type of dwellings these people can pay for. Builders just are not interested in building such accommodations; it is much more profitable to build houses and to build apartment buildings for those who have higher incomes. They will build houses and apartments of a type which will give them the greatest profit, and it is perfectly proper that they should. Private enterprise does not want any part of this class of housing. If we are to have slum clearance programs which are equitable, it is necessary to recognize the housing needs of all the people who are being evicted from their homes in the blighted area.

This means that we must provide housing not only for the people who can afford to pay more, because they can find places to live, but it is the people with lower incomes that must attract our concern. If we approve the committee provision, our action will make metropolitan nomads out of these people. If they cannot afford to pay for better accommodations, they must move to another slum area. When that is cleared, they must move on to the next slum, and from slum to slum as each is progressively cleared.

Mr. CEDERBERG. Mr. Chairman, will the gentleman yield?

Mr. YATES. I yield.

Mr. CEDERBERG. The gentleman is talking about an entirely different subject; he is talking about slum clearance. We are dealing with Federal low-rent housing.

Mr. YATES. Let me ask the gentleman where the people who are evicted from the slums that are cleared are to go for their shelter?

Mr. CEDERBERG. Many of them are not eligible to live in Federal low-rent housing.

Mr. YATES. And many of them, most of them, are eligible to live in Federal low-rent housing.

Mr. CEDERBERG. The gentleman would provide 35,000 units by his amendment. They are not eligible for the housing the gentleman is talking about.

Mr. YATES. There are many who are eligible for the housing I am talking about, and those are the ones whom I am pleading for today. They must be housed if slums are cleared.

Mr. Chairman, I decline to yield further.

Let me read a telegram I received today. Yesterday I spoke about a slum-clearance project in the city of Chicago which is being constructed by the New York Life Insurance Co. Draper & Kramer—and I am sure my Republican friends from Chicago know that Draper & Kramer is one of the largest real-estate firms in the city—Draper & Kramer are the sole leasing agents for the New York Life slum-clearance project. I have here a telegram from Ferd Kramer, a senior partner in the firm, and president of the Metropolitan Housing and Planning Council. I want to read it to you:

As President of a nonpartisan citizens' organization whose board of governors includes industrialists, merchants, realtors, mortgage bankers, economists, attorneys, and leaders in many other fields, we hope that you will use your influence to see that there are funds made available for a continuance of the public-housing program. As we sponsored and are vitally interested in private enterprise's participation in the slum-clearance and redevelopment program in Chicago, it is particularly vital that we have some public housing for relocation purposes. Relocation is really the key to slum clearance these days.

If you believe in the purposes of slum clearance, if you want your cities to clear their blighted districts, you have got to find places for the people to move.

Mr. Chairman, former Congressman Cole, of Kansas, who is now Administrator of the HHFA program, appeared before our subcommittee. Mr. Cole was always one of the bitterest foes of public housing. As representative of the present administration he told our committee that 35,000 public housing units should be authorized for the next fiscal year. That is the number covered by my amendment.

Let us not kill a program so vital to the good health of our municipalities. I urge you to vote up my amendment.

Mr. WOLVERTON. Mr. Chairman, throughout the years during my service in Congress, I have consistently supported every effort that has been made to improve the living conditions of our people—slum clearance, low-rent housing, veteran housing, and, any and all other legislation of similar character to provide better housing for our people, and, to enable them to finance purchases of homes upon terms within their ability to pay. I am gratified at what has been accomplished but there remains more to be done.

Everyone favors and concedes the necessity of improving the lot of mankind. While it is true much has been done, yet, an examination of the housing conditions in any of our cities, my own city of Camden, N. J., included, reveals that

there remains much to be done before it can be said that our people are adequately and properly housed. Walk through certain sections of any sizable city, slum areas as they are called, enter the homes, talk with the people as I have done in my home city, observe the unhealthy and unsanitary conditions, the inadequate places of recreation, watch the children playing in the streets, in the hallways and under conditions that breed sickness and crime, observe the restricted and unhealthy lot of the elderly who must remain indoors with little, if any, fresh air or sunlight. Do this and you will have the same enthusiasm that I have had through the years to improve these conditions. Private building and finance do not enter this field of endeavor. They cannot be expected to do so as it is not financially profitable. This leaves no alternative other than for Federal, State, and municipal authorities to take over where private enterprise leaves off.

The underprivileged are urged by subversive elements to adopt communism or some other "ism" as a remedy. They are told that they cannot expect any beneficial results under our American system of free enterprise—that deficiencies in housing, employment, education, medical care, and recreation, only to mention some of the outstanding ones, will continue to exist. Those who would offset the inroads of socialism, fascism, and communism must offer more than fierce words of antagonism, more than mere criticism, something more than talk. Talk must be translated into action.

There is much that can be done to translate our concern for the less fortunate in life into real achievement. Today, the opportunity is presented by the pending amendment in the area of housing. If we provide for additional housing for the low-income group as contemplated by the pending amendment it will give encouragement and hope to those in need of such. The money we appropriate for this purpose is not lost. It is not a charge upon the taxpayers that will prove an additional burden. All of such expenditure under wise administration will come back into the National Treasury. It is not a gift that will not be returned. It is nothing more than an advancement to provide housing for the low-income group, who will pay a rental that will meet the expenses of operation and also be sufficient to cover amortization charges. Thus, while it becomes a paying proposition it does not provide a return of profit equal to what would be expected by private ownership or that would justify private construction and operation.

This worthwhile program to provide for the construction of 35,000 additional units for low-income families has the support of President Eisenhower. I regret that the Appropriations Committee in reporting this bill ignored our President in this respect and reported a bill that eliminated this additional construction. I trust the House will adopt the proposed amendment and thereby supply additional housing for the low-income group and likewise thereby make effective the desire of the President.

The CHAIRMAN. The Chair recognizes the gentleman from New York [Mr. JAVITS].

(Mr. JAVITS asked and was given permission to revise and extend his remarks.)

Mr. JAVITS. Mr. Chairman, the most that one can hope to do in this time is to sum up. There has been a lot of argument about this question and I think the Members have it well in mind.

My position on this issue is that the amendment should be voted up by the House for the following reasons:

First. It is the President's program. I emphasize that. This is the President's program. On page 1013 of the record, Mr. Cole, the Administrator of the Housing and Home Finance Agency, in his testimony recommending 35,000 units for the next fiscal year, stated that he was testifying in accordance with the "decision made by the Executive Office of the President."

Second. We are trying to balance out justice here, justice to those in the low-income level, justice to those in the higher-income levels. I cannot see how 35,000 public housing units out of an annual construction of a million housing units, when the Federal Housing Administration has guaranteed and insured 3 million housing units to the tune of \$23 billion, will distort the program, I cannot see how the Congress can deny the continuance of this program for the very low-income groups.

Third. To the cities this is extremely important. Where they have streets, they have fire stations, they have schools, they also can have slum clearance but they have people displaced who cannot afford other than public housing. They have to be placed in decent housing. To establish public housing in conjunction with slum clearance is humane, this is economical; therefore, it is very vital. This modicum of public housing should be made available for the purpose.

Fourth. There is a lot of talk about socialism concerning this program. Is there any talk about socialism when we fertilize the farmers' fields and Federal money pays for it? Is there any talk about socialism when \$23 billion of FHA mortgage guaranties are issued? Is there any talk about socialism when huge amounts of Federal funds are spent in rivers and harbors appropriations? No. It all depends on whose ox is being gored. Right now it is the ox of the low-income level group.

I would like to leave you with this final thought: This is a fundamental question for the Members of this House who have groups in the lower economic levels in their districts; their people are the ones who are primarily concerned. There is nothing doctrinaire about this, there is no socialism or anything else about it. It is just a fundamental question of justice considering the whole housing picture for a group of low-income people in various communities whom we are called upon to assist with housing.

The CHAIRMAN. The Chair recognizes the gentleman from Illinois [Mr. PRICE].

(Mr. PRICE asked and was given permission to revise and extend his remarks.)

Mr. PRICE. Mr. Chairman, the Eisenhower administration and the Republican Congress can kill the public housing program if they want to—and they apparently want to.

They can turn their backs on President Eisenhower's campaign promises, if they want to—and they apparently want to.

Oh, I know some will say, as the gentleman from New York [Mr. TABER] said not so many minutes ago, that the President gave no pledge of support to public housing during his campaign. But I dispute that argument. And it was more than an implied promise.

President Eisenhower, speaking at Pittsburgh, Pa., last October, said:

We must have better housing for those Americans who are now forced to live in slums and substandard dwellings.

On at least four other occasions during the campaign the President made statements in support of public housing. In Boise, Idaho, on August 20, he referred to the housing program as a moral obligation. In Los Angeles, Calif., on October 9, he went a little further and said various social programs, including housing, are a sound investment in a sounder America.

On several occasions during the campaign President Eisenhower held out hope for the elimination of slums and substandard dwellings with Government cooperation. It may be true it was only lip service to this program designed to catch votes and it may be true that the Republicans so assured contributors during the campaign; nevertheless, President Eisenhower and his party did encourage the people of this country to believe they would make good the 1952 Republican platform pledge: "With local cooperation we shall aid slum clearance."

"Local cooperation," indicates completely and unmistakably the Republicans sought votes by giving assurance they subscribed to the program set up by the public housing law because this is an integral part of that program.

Is this to be an administration of pious words and lip service to high ideals but of deeds that belie such aims?

President Eisenhower in his speech of last Thursday called upon men of good will in all countries to battle against poverty and human misery. Public housing at home is a part of that battle against the brute forces of poverty.

Let us continue this fight, the effectiveness of which has already been shown in the progress made during the past few years.

There is abundant evidence in the deteriorating sections of every community in the country of the need for a continuing program of slum clearance and low-cost housing. The data should shock every American into a united effort to eliminate substandard dwellings and the tragic conditions they create.

I think the committee has erred in judgment and this House should by its vote this afternoon reverse its action.

The CHAIRMAN. The Chair recognizes the gentleman from North Carolina [Mr. DEANE].

(Mr. YORTY, Mr. DOLLINGER, and Mr. McCARTHY asked and were given permission to yield the time allotted them to Mr. DEANE.)

(Mr. EBERHARTER, Mr. KLEIN, Mr. DOLLINGER, and Mr. SHELLEY asked and were given permission to extend their remarks in the RECORD following those of Mr. DEANE.)

Mr. DEANE. Mr. Chairman and members of the Committee, I appreciate this opportunity to express my views on this subject. I realize the subject of public housing is controversial but let me preface my remarks by saying that throughout my service in the Congress I have supported all phases of the housing program. I supported the Public Housing Act of 1949. In doing so I have had some opponents to public housing to oppose me in elections. In fact, I hold in my pocket a personal card sent me in 1949 by one of these good fellows, and on it he says this: "I know your record from A to Z; it is not good; let us hope that you are on the way out." This good fellow was thinking about his own personal interest. Is it not possible for we Members of Congress to resolve our differences and as honest servants of all the people to reason together on the basis of what is right instead of who is right? I recall during each of the House sessions since 1949 when this subject of public housing came before us, from this Appropriation Committee we have continually passed up our responsibility to a great segment of our country. The other body has in each instance written the legislation.

Last year the House voted for 5,000 units. In conference and because of the insistence on the part of the Senate we wrote 35,000 units into the bill.

These 35,000 units, have gone into 347 projects and into 237 localities.

I would not stand here this afternoon and imply that President Eisenhower in his presidential campaign speeches pledged the continuation of the public housing program, but I do feel that it is implied in several of the great speeches he made during that campaign. Likewise, the record will reveal that our former colleague, Mr. Cole, of Kansas, who now heads the Housing and Home Finance Agency, spoke for the administration when he appeared before this Appropriations Subcommittee and proposed that the new starts for public housing for this year be limited to 35,000 units. He would not have made that statement if it was not in keeping with the President's position. For the actual record, I cite you to page 1013 of the committee hearings which outline Mr. Cole's position.

I think of the discussions this afternoon involving public housing in the city of Los Angeles. I admire that great city in which I spent a week in 1951. It is regrettable that this program has gotten into politics. This is not generally true.

One recalls today the observation of the present distinguished chairman of our Committee on Banking and Currency. His observation at the time when the Public Housing Act was approved, and I know he was sincere—I am referring now to the gentleman from Michigan [Mr. Wolcott]—that not over 10 large cities would benefit from public-housing legislation. I have in my hand a list of 20 cities and small towns in my State where public-housing projects have been erected and are now occupied and rendering a great and needed service to the low-income group. These towns and cities include: Asheville, Charlotte, Clinton, Concord, Durham, Fayetteville, Goldsboro, Greensboro, High Point, Kinston, Laurinburg, Lumberton, Morehead City, New Bern, Raleigh, Salisbury, Tarboro, Wayne County, Wilmington, and Winston-Salem.

If the amendment offered by the gentleman from Illinois [Mr. Yates] is not agreed to, the following cities and small towns can fold up their present plans: Goldsboro, Havelock, Morehead City, New Bern, Rocky Mount, Salisbury, and Winston-Salem.

You often hear the word "socialism" associated with public housing. It reminds me of the federally insured loans under the Federal Housing Administration, the Veterans' Administration, and the FNMA programs. How many billions of dollars have we insured? Over \$39 billion. Would it be right to call that a socialized risk?

Mr. Chairman and members of the Committee, in discussing public housing let us inquire who benefits from low-rent public housing?

Approximately 60 percent of the units are occupied by white families. Nearly 40 percent are occupied by colored families.

Forty-eight and five-tenths percent of the families are veterans or have veterans' preference.

Nearly 11 percent of these occupants are families of disabled or deceased veterans or servicemen.

Children are welcomed in public housing. In some of these so-called socialized-risk housing there are 2.6 minors per family. This is nearly twice the average of 1.1 minors for all urban families, according to the 1950 census.

When we fail to hold up the amendment offered by the gentleman from Illinois we are denying suitable housing to old people, particularly aged couples, who have great trouble obtaining adequate housing on their reduced incomes.

Emphasis is more recently placed on old people, particularly old-age couples, who have great trouble obtaining adequate housing on their reduced incomes. Nearly 6 percent of the families admitted in 1952 had family heads who were 65 years and more. This was as high as 11 percent in the New England area. Just over 27 percent of the families were on relief or recipients of social security benefits.

Further, Mr. Chairman, the New York Times in an editorial appearing this

morning headed "Folly on Housing," makes this statement:

If the House now accepts the pennywise, shortsighted recommendation of its Appropriations Committee we trust that the Senate will—as it has previously done on housing bills—rescue the House from its own folly.

I recall that this great newspaper was one of the early advocates of General Eisenhower for the Presidency.

Time prevents any review of the Housing Act of 1949. The substantial support by 8 different committees of the Congress, including 3 by the 80th Congress, each without exception, concluded that a low-rent public housing program was necessary.

Our own House Banking and Currency Committee and the House itself came to the conclusion that a public-housing program was essential to meet the needs of the very low income families.

The size of the program has been a matter of concern.

You recall that an agreement was reached on a 6-year program of 135,000 units per year, or a total of 810,000 units. The President was given authority to decrease this to 50,000 units or expand it to 200,000 units, based on current economic conditions.

Various committees of Congress established that total construction volume should range from 1,250,000 to 1,500,000 units per year in order to meet current needs and catch up on deficiencies.

The agreement on 135,000 units per year for public housing represented about 10 percent of total residential construction. This percentage figure was felt to be fair and reasonable at that time.

The reduction to 50,000 units in 1952, to 35,000 units in 1953, now represents only an estimated 3.5 percent of the total.

Who are the people of low-income living in substandard housing who cannot afford to pay enough to rent or purchase a standard private dwelling, either new or old?

In 1951, one-sixth of all urban families, or about 4,300,000 families had incomes of less than \$2,200 a year—the Census Bureau.

In 1951, it cost a family of 4, with 2 children, \$4,454 to maintain itself in Washington, D. C., at a minimum adequate standard of living. Washington was the most expensive of the large cities. In New Orleans, the lowest, the cost for the same family was \$3,812—Bureau of Labor Statistics.

Obviously, the cost in smaller places is somewhat less, but not substantially, as the differential has been closing year by year.

During the decade 1940 to 1950 there was substantial improvement in the housing conditions of the average nonfarm family.

In 1950 there were 30.6 million occupied nonfarm dwellings with a flush toilet inside the structure; 21.6 million in 1940, a gain of almost 42 percent. However, the number of occupied nonfarm units lacking a flush toilet inside

the structure was virtually the same in both 1940 and 1950 at 5.7 million.

The number of units lacking an installed bathtub or shower was almost the same in 1940 and 1950, 7.4 million in 1940 and 7.2 million in 1950, although the proportion of occupied nonfarm units with tub or shower increased from 74 to 81 percent.

The proportion of overcrowded nonfarm units, as measured by the commonly accepted $1\frac{1}{2}$ persons per room, declined from 7.1 percent in 1940 to 5.5 percent in 1950. And yet the absolute number of families in overcrowded dwellings showed a slight increase to about 2 million in 1950.

Conditions among nonfarm Negro families were far worse than among whites. While 5.5 percent of all families lived in overcrowded dwellings, 18.2 percent of this proportion were nonfarm Negro families. Twenty-seven percent of the dwellings occupied by Negro families were dilapidated as against 7 percent for all families. Twenty-four percent of the homes of Negro families were not dilapidated but lacked running water, or a private indoor flush toilet or bath, compared with 10 percent of white and nonwhite families combined.

Let me discuss briefly the subject of median income of public housing occupants. I am reminded of a letter that I wrote under date of January 29, 1953, to our esteemed and former colleague, Albert Cole, who is now our Housing Administrator. In this connection, I would like to say that Mr. Cole and I served together on the House Banking and Currency Committee for several years and traveled into several sections of the country last year studying housing problems. While we have differed on votes, I am satisfied that he will administer the public housing program acceptably. I admire and respect him.

Mr. Cole made a speech which was reprinted in the Pathfinder magazine under date of January 21, 1953, which quoted him as saying:

In 1951 the median income of 14,077 families living in public housing was \$3,536 per year. * * * The Government subsidizes a population of middle-income people equal to a city of 35,000.

In my letter to Mr. Cole, I ascertained that the 14,077—actually 14,117—families with a median income of \$3,536, which he referred to, were those families who had previously been eligible for public housing who because of their income during the first half of 1951 were found to be ineligible for continued occupancy. I pointed out to him that on July 31, 1952, only about 6 percent of the families in public housing were ineligible for continued occupancy.

My letter continued that if we would clearly illustrate the income group being served by public housing on a continuing basis the average income was \$1,890.

I further pointed out to Mr. Cole that until these ineligible families are removed they are not subsidized by the Government. A family in public housing with an income indicated by Mr. Cole of \$3,536 must pay at least 20 percent of its annual income or nearly \$60 a month.

My statement today is not intended to array one group against another. I repeat I am acquainted with the opposition and the feeling of not only some Members of Congress, but also the private interests. We must be fair to all concerned. It is right to say that the Federal Government, through FHA and VA and Fannie Mae, shall be of direct assistance to the private construction industry in the amount of nearly \$39 billion and completely close the door on low, namely, the low-income group rent housing.

Even this session through our committee, the Congress has provided an additional \$500 million for title I construction loans.

Now we have the opportunity to act on the basis of what is right instead of who is right.

I have taken some time in the statement and am grateful to my colleagues who have yielded me their time. I appreciate your patience, but the point I am making is an important one. We still have a very sizable housing problem in this country involving our low-income group of all races. Despite years of prosperity and high incomes, and even the fact that the average family is better housed, we have made little progress in reducing the bad housing conditions with which the Congress was confronted when it enacted the Housing Act of 1949. This is why I believe that, within the limits of our abilities, the Congress must move forward in achieving the goal set forth in the housing act, and for that reason I support the amendment of the gentleman from Illinois [Mr. YATES].

I close, Mr. Chairman, by asking, Can we not honestly and sincerely do what is the right thing for all of our people? I salute private industry for constructing a million homes a year but as you analyze that program you find that it benefits the middle and higher income group. We are not reaching the small, low-income group except through the public housing program.

I do not come here this afternoon claiming that I am right, but I do feel that if we will honestly and sincerely accept our responsibility as Members of this House we will not pass this on to the Senate and let them write the legislation.

Mr. EBERHARTER. Mr. Chairman, I regret very much the decision of the majority now in control of the House to refuse any appropriation whatsoever for the continuation of the public-housing program.

More regrettable, in my view, is the fact that the language of the measure now before us spells the doom of any future building of housing units for those in the lower income bracket. It also effectively kills off programs already scheduled for the elimination of slum areas, particularly in the crowded cities of the country.

Thousands upon thousands of residents of my own city have benefited immensely from the public-housing program inaugurated under the Democratic administration of Presidents Franklin D. Roosevelt and Harry S. Truman, but there are many other thousands who are

in just as dire need now as those who have already had the great benefits of this housing program. Ambitious plans which have already been formulated in the city of Pittsburgh will suffer a devastating blow should the action of the Appropriations Committee be sustained in this House and in the other body. Progress which all of us have looked forward to with confidence and hope for the betterment of living conditions in our fair city of Pittsburgh will be effectively stymied. Many thousands of dollars spent in planning will become only a waste of money.

This action is not only stopping the clock of progress but is turning the clock backward.

Can it be that this body does not recognize the need for public housing and the knowledge that the people of this country want their citizens properly housed?

Private capital certainly cannot undertake nor complete any worthwhile program for decent housing because there is not a big enough incentive in the way of profit for it to do so.

Must we look forward to the other body to recognize the validity and the urgency of continuing the program of decent housing for our people?

Mr. KLEIN. Mr. Chairman, there is very little that I can add at this stage of the debate in connection with the vital need for more—not less—public-housing units. It is very well for many of the Members to get up on this floor and state that this is socialistic and that public housing is not need in this country today.

However, coming as I do from an overpopulated area in the city of New York, I appreciate, first, the great good that has been accomplished by the housing built with the assistance of Federal funds and locally administered by the New York City Housing Authority; and, second, conditions which exist where there is a lack of such housing.

As I have said many times, one of the ways to fight communism is to provide adequate and decent housing to our people and eliminate disease which so often occurs as the result of the filthy and uninhabitable conditions existing in the slum areas of our great cities. The city of New York, with the help of State and Federal funds, has made great strides in eradicating such conditions, but we still have a long way to go. We cannot do it on our own and the Federal Government, which gets such a large proportion of the income of our people, is the only source from which we can obtain help.

If this amendment is not adopted it will deprive low-income families of 24,000 low rent apartments scheduled for construction over the next few years. It will cut the heart out of the city's efforts to clear slums and provide decent homes for families of low income at the very time that these efforts should be redoubled.

The New York City Housing Authority had an average of more than 200,000 active applications in its files in 1952, or more than 15 applications for each apartment that became available during the year from both new construction and vacancies. The demand from vet-

erans continues so great that except for families residing on housing sites virtually no nonveteran families, even those being evicted on to the streets, can be accepted for public housing. If this amendment is not adopted thousands of decent hard-working families must continue to live in squalor and misery without hope of decent homes in which to rear their children. I hope that the amendment will be adopted.

Mr. DOLLINGER. Mr. Chairman, if Congress follows the recommendation to end the Federal public housing program as contained in the independent offices appropriation bill before us, it will perpetrate a grave injustice upon many thousands of families now living in deplorable conditions and substandard housing.

When Congress passed the Housing Act of 1949, the low-wage earner, the underprivileged, the ill-housed were promised housing at rentals they could afford to pay. At that time 135,000 public-housing units per year were authorized. That number has been cut to 35,000 units, and now we are asked to halt the program entirely. This would, in effect, kill about 200,000 units now planned but upon which construction has not been begun. The recommendation has no meritorious basis; to the contrary, it is a betrayal of all those who have every right to look to us for assistance, who have no other hope for decent housing, and to whom we owe a serious obligation.

Enactment of this bill would deprive low-income families in New York City alone of 24,000 low-rent units which were to be constructed during the next few years; it would virtually sabotage the city's efforts in slum clearance. Half a million families in New York City are without housing of their own or are living in overcrowded, unsanitary, deplorable housing quarters. The New York City Housing Authority reports that it has 200,000 applications on file and receives applications at the rate of about 60,000 a year. Under the law, our veterans are given preference, and rightly so. However, the demand from veterans is so great that very few nonveteran families could be taken care of so far. Therefore, many thousands of families in the low-income brackets who are forced to live in squalor and terrible conditions have no hope except in the continuance of the public-housing program. This acute shortage of housing also exists in every other metropolitan area in the country.

Dozens of pleas from families desperate for decent housing reach my desk weekly. Descriptions they give of their housing quarters are appalling and heartbreaking. Numerous families are herded-together in a small apartment, the overcrowded conditions constitute a menace to the health of all and result in family troubles, discontent, and juvenile delinquency. Many are forced to live in basements or apartments in terrible disrepair, some overrun with vermin and rodents; in damp, dingy, really uninhabitable places which must be occupied because the families can find no other places to go. It may come as

a shock to some Members of this House to learn that a mother has stayed awake all night watching over her children because she fears they will be attacked by rats. Nevertheless, this sad fact has been told me in a number of cases, and the danger is real. Other examples of children and adults constantly sick due to damp, dark rooms, lack of proper ventilation and living facilities, also emphasize the need for suitable housing.

Think of our veterans. They sacrificed much to protect our Nation and preserve our freedom. Yet, when they expect to have a home of their own they find that this is often out of their reach—they are forced to continue to live with relatives or in furnished rooms for years because housing is not available to them. Is this the gratitude we owe them?

Billions of dollars of our taxpayers' money are being spent on foreign aid, on rehabilitation, and other assistance abroad. Our Federal Government is guaranteeing millions of loans on housing in the United States, but this does not help the low-wage earner and slum dweller. His only hope is low-cost public housing. The cost of carrying out the Federal public housing program as planned is small in comparison with our other expenditures. It is an investment which we must make in the interest of our youth, our hard-working citizens, and all those who must be helped by us if they are ever to be able to have decent housing.

Congress made a pledge in 1949 to give housing assistance to the needy; many thousands of industrious, fine families have clung to the hope we gave them that eventually they would be reached under the housing programs and would at last be able to enjoy a real home. To break that promise now would be a stark betrayal of the many thousands whom we allowed to hope for decent housing. To deny homes to our people, to ignore their terrible struggle for shelter, is to deny them the security they must have if we do not wish to undermine the foundation of our democracy—for our democracy is founded upon the home.

Our clear duty is to help those who now rely upon us and who need our assistance in this grave problem of shelter. Congress must not fail in its duty. I say we must not slaughter our Federal public housing program; instead we must not only continue the program but must increase our efforts to the fullest extent possible, to the end that every American can enjoy decent housing. It is the very least we can do for our people.

Mr. SHELLEY. Mr. Chairman, I cannot sit in the House today and remain a quiet witness to the crime we as a body seem about to commit. I refuse to be an accessory to that crime, even though it is committed in the holy name of economy. This phony economy we have been hearing about so much lately has become the convenient peg upon which the enemies of every socially constructive program we have are hanging their hats.

Do not let us delude ourselves. If this House kills the public housing program by accepting the proviso the committee has recommended, it will not be any

economy in the true meaning of the word. And the real reason the knockout blow is delivered will not be that we want to save money for the Government, but that the Republican majority in the House want to save high rent and high construction cost gravy for the real estate and home builders lobbies. Neither is public housing being killed because it is socialistic as its opponents proclaim in mock horror. It is being killed because it is socially uplifting and the sanctimonious members of property owners' associations who shudder at the supposed taint of socialism are shuddering even more at the threat it presents to fat incomes from stinking tenements.

Stopping all new public housing, as this bill does, will be a far bigger blow to the economy of the country than is represented by the few million dollars the Federal Government will keep in the Treasury as a result. It will be a blow to the economy of the low- and low-middle-income families whose only hope of obtaining decent housing at a price they can afford to pay is the public-housing program. It will be a blow to the economy of the construction industry and the craft workers who would be engaged in building the over 180,000 units for which reservations have already been made by local communities and which this bill washes off the books. It will be a blow to the economy of the communities themselves, which will have saddled on their necks for more generations the unsightly housing which these projects are intended to replace or eventually eliminate. These blighted areas choke the development of every metropolitan or semimetropolitan area I know of. There is no economy in perpetuating the civic and commercial stagnation they cause.

It is fantastic to assume that the private-home-building industry will pick up where we leave off in providing housing for low-income groups. I have no doubt that they could do it to some extent and keep rents or prices of homes at a reasonable level. Neither do I have any doubt that they will not do it, and all we have to do is to look at the record to prove that they will not. The innocence of the majority of the Appropriations Committee who voted to delete public-housing funds on that premise is refreshing. Apparently they believe that the change in administrations has, by some miracle, worked a change in the hearts of the people who build and sell or rent homes or apartments and have in the past always charged as much as the market can bear and more than the poor man with a family can possibly afford. There has been a change all right, but it has not been that kind of a change. There has been a change in control of this Congress and a change in administration, particularly in the Housing and Home Finance Agency. You can bet your life that the change to Republican leadership "ain't gonna be good" for the low-wage and low-income groups who had their hopes set on a decent place to live at a price they could pay. The move to push up mortgage interest rates indicated in the report on

this bill is one example of the change. The move to kill off public housing completely is a worse example.

Survey after survey in city after city and in the semirural surrounding areas continue to show severe shortages of any type of housing at low rentals or low purchase costs. Decent housing, other than Government housing, in the low price ranges is practically nonexistent. This is a condition for which we can thank the groups now lobbying most strongly for the Government to get out of the housing business. It shows perfectly just how they will go about assuming the obligation to provide low-cost housing. We all know that the only reason the Government was forced into the business was the failure of these groups to make an honest effort in the field. We also know that the only reason they want the Government to get out is to leave them with a free hand in milking the market at all levels.

My own city, San Francisco, will suffer a serious blow if public-housing funds are eliminated. Over 800 units are projected for construction there during fiscal 1954. About 600 of these are in the so-called western addition and are intended as replacement units for substandard dwellings cleared away in an urban redevelopment and slum clearance program there. Another 200 are to be built in the neighborhood of the San Francisco Naval Shipyard to help take care of an immediate need. In neither of these instances will private industry do the job that needs to be done at prices the people can pay. I know that this situation is repeated throughout the country, as is shown by the 180 plus thousand units for which plans are in various stages of completion. In fact there are only five States which do not have programs under the public-housing provisions of the 1949 act. Where is the economy in scrapping these programs and wasting the money which has already been spent? San Francisco has already acquired several parcels of the land required and at considerable expense. Are we to put tents up on the land and herd our unhoused people into them? That was necessary as an emergency measure after the 1906 San Francisco fire, and if the tendency of the present administration and the Republican leadership in this Congress continues it may well be necessary again.

Mr. Chairman, I am not being facetious in saying this. The proposed murder of the public-housing program, at which we are asked to play the part of executioners, is only one of many examples of the ruthless economy program upon which this administration has embarked. It is not coincidental that much of the slashing is being done at programs for the public welfare rather than those of benefit to big business. It is a trend which, if continued, may well lead us straight back to the Hoovervilles of the late twenties and the early thirties. To paraphrase a famous remark recently made by one of our new leaders, "What is good for the people is good for the United States, and what is good for the United States is good for the people." Public housing is good for the people as

a whole. It is good for the United States as a whole. Do not murder it because it squeezes the pocketbooks of a privileged few.

Mr. TABER. Mr. Chairman, I ask unanimous consent to yield my time to the gentleman from Indiana [Mr. HAL-LECK].

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

(Mr. POULSON asked and was given permission to extend his remarks at this point.)

Mr. POULSON. Mr. Chairman, I am presenting a chronological history of the public housing controversy in Los Angeles, all taken from public records. I think this story can be duplicated in many, many places throughout the United States. While I know the people of Los Angeles are not attempting to dictate what Congress does in other areas, or what other cities want, they are general taxpayers and have to pay their proportionate share of the cost of public housing throughout the country, and to that extent they have an interest.

Their principal interest, however, is that provision in the bill which positively stops all public housing in the areas where the people, by referendum, have stated in effect that they do not want public housing crammed down their throats. In Los Angeles, in a hotly contested election they voted for the discontinuance of the housing program there by a vote of 388,000 to 258,000, a ratio of 3 to 2. Surely that is representative government and even the advocates of public housing here in Congress will have to admit that we should comply with the voice of the people.

Now, speaking for myself, I have opposed public housing from its inception, voted against the original bill, and voted for each cut in the succeeding appropriations. The people of my congressional district have sustained me in those votes. Therefore, as a Member of Congress from the 24th Congressional District of California, I will vote for the bill as it is now before the House.

The House appropriations bill recommends a 61-percent slash in money requests from two dozen Federal independent agencies and specifically would lop off \$721,423,697 from the \$1,172,444,190 which President Truman submitted in his budget estimate.

Particularly pertinent to a controversy of major importance in my home city of Los Angeles is the bill's proposed abandonment of the public-housing program. This would eliminate 35,000 new units per year, and the committee estimates this would give the taxpayers a saving of \$795 million in subsidies over a 40-year period. Since local taxpayers are required in the public housing formula to subsidize certain aspects of this public housing expense, up to 50 percent of the Federal allotment, another amount approximating \$400 million would be saved by local taxpayers, or a total of well over \$1 billion in all would be lifted from the overburdened backs of the taxpayers of this country.

As a general policy, I would say that the Eisenhower administration was

swept into office, among other things, on the strength of its promise to reduce Federal expenditures and pare down Federal taxes. Now the people are told that taxes cannot be cut until expenses are cut and the Federal budget is balanced.

The people of this country are crying out for tax relief. This is an opportunity to grant that relief.

I speak with some strong feelings on this subject, but you will more readily understand why if I tell you a few facts about what the public housing advocates have done to the people of Los Angeles.

Mayor Fletcher Bowron, of our city, on August 8, 1949, submitted a 10,000-unit program to the city council. He told them that the program would not cost local taxpayers a cent, a statement which he should have known to be untrue. He told them that if they did not take this Federal handout, some other city would get it—a specious argument if there ever was one. He urged them to jet propel this measure through on a 1-day emergency clause, thereby circumventing reconsideration, on pain of losing the handout altogether.

And our city council, at that time still uninformed about the realities of public housing, fulfilled the mayor's wishes.

In November of 1950 the people of California, with an especially strong majority in Los Angeles, voted for a new State law preventing public housing projects from being adopted without a popular referendum—to give the people themselves the opportunity to decide.

Frightened by this demonstration of public opinion, the city housing authority rushed these projects before the city council for approval of certain zoning variances and jammed them through a few days before this new measure could be certified into law. Without such unseemly haste, the Los Angeles program would have had to be submitted to the voters at that time.

Now the city council and the people of Los Angeles were beginning to wake up. The alarm was sounded in full blast when in December of 1951 the city council canceled these contracts, the city housing authority filed suit in the Supreme Court of California to compel continuance of the program by the city, and shortly thereafter the city council placed the issue of these 10,000 projects on the June 3 primary election ballot.

During the campaign, Mayor Bowron was the strongest, most prominent champion of the public housing projects. He even staged a full-dress TV hearing in the city hall in his effort to sell the projects to his constituents. But all efforts of the mayor and his public housing group failed, and the voters rejected the projects by 388,000 votes to 258,000.

Then an astounding thing happened. The mayor of America's third largest city came back here and told some of the Members of this Congress that the voters of his city did not know what they were doing when they rejected a \$110 million public housing project by a 3-to-2 majority.

He entered into a conspiracy with the city housing authority, a body appointed by him, to force this housing project on

the city whether the people wanted it or not. This was an action somewhat unique in the American tradition. I do not know of a precedent for it in our country. It seems like a rather European procedure to me—more particularly, a procedure typical of that part of Europe east of the Iron Curtain.

This Congress, in an appropriation bill last year, said that the Public Housing Authority in Washington could cancel the Los Angeles contract if it received a "tender" of the money spent by the Los Angeles Housing Authority.

Yet, the housing authority refused to tell the city council of Los Angeles how much money the city owed the Authority, and it refused to show its books to anybody. So how could the city "tender" an amount when city officials were prevented from finding out what actual amount had been spent?

While this political shell game was going on, the Housing Authority, all the time aided and abetted by the mayor of Los Angeles as a co-plotter against the wishes of the majority of the people, proceeded to start projects here and there, instead of concluding any individual project, so as to get as many new projects as possible started. This was figured to increase the difficulty of ever stopping the Federal program, or any important part of it, should the citizens of Los Angeles eventually find a way of relief from the Federal handouts being forced on them.

All of this political skulduggery was justified by the mayor and housing authority of Los Angeles on the fine legalistic pretense that the California Supreme Court allowed no alternative. All the court said was that a valid contract existed. It also said that the contract could be renegotiated, that is either reduced or terminated by a mutual agreement of the parties. But this was overlooked by the housing authority and the mayor, who persistently blocked negotiation for termination by refusing to open the housing authority books to the city council.

What we have seen is a situation where about \$13 million was owing to the Public Housing Administration when this election was held last June 3, and in defiance of the vote of the people \$8 million more has been spent since that time. So now they say \$21 million is owing and must be forthcoming to stop the project. This bureaucracy has been very busy spending taxpayers' money since they read the election returns of last June.

In the face of all this, Mr. John Taylor Egan, commissioner of the public housing authority, told the Independent Offices Appropriation Subcommittee last week that he talked with the housing authority and the mayor of Los Angeles and told them, in his own word, that—

You cannot ignore the vote of the people; and, if their attitude was that they wanted to pay us back, all right.

Mr. Egan also said:

But, if I were chairman of the housing authority or the mayor of the city, I would say: "You have to recognize this vote, as you cannot disregard its meaning."

You can see that we of Los Angeles have a particular stake in this bill. In our city, we have for 10 months had a vote of the people defied, disregarded, and in effect actually discarded. By cutting the city housing authority off at the pockets, this bill will begin to give Los Angeles people at long last what they voted for almost a year ago. And at the same time it will save millions of dollars of Federal money and help pave the way for nationwide tax relief, certainly one of the biggest issues before the American people.

By slow and painful processes, the stage is set to give Los Angeles relief from its voter-rejected program. The State legislature is considering and probably will pass bills bringing the housing authority under greater control of the people it is supposed to serve. The people have shown a disposition to elect a new mayor, an act which will speed the processes of relief from the public housing mess.

But the whole thing started back here. This is the fountainhead. This is where it should be cut off. And this bill will do the job in two steps.

First. It provides:

That no housing shall be authorized by the Public Housing Authority, or, if under construction, continue to be constructed, in any community where the people of that community, by their duly elected representatives, or by referendum, or by any other legal method, have indicated they do not want it.

Second. It provides:

That the record of expenditures by the Public Housing Authority and of the local housing authority on any public housing project shall be open to examination by the responsible authorities of any community in which such project is located, or by the local public housing authority, or by any firm of public accountants retained by either of the foregoing.

This first above proviso will stop the continued throwing of Federal money down the drain to keep feeding a bureaucracy which the people have repudiated. The second makes possible negotiation to rectify the damage already done.

Here is a bill which will assuredly have the heartiest approval of Los Angeles voters, and, unless I am very much mistaken, will in addition be greeted with enthusiasm by overtaxed Americans from the Atlantic to the Pacific.

The CHAIRMAN. The Chair recognizes the gentleman from Texas [Mr. FISHER].

Mr. FISHER. Mr. Chairman, I should like to first commend the Committee on Appropriations for its action in cutting public housing out of the program for the next fiscal year. The House has expressed itself on this issue many times since socialized public housing was authorized by a 5-vote majority in 1949 in the House of Representatives. Last year I offered the amendment which was adopted by a substantial majority which called for a reduction of starts of new units during the fiscal year down to only 5,000. The year before a similar amendment, offered by my colleague [Mr. Gossett], was adopted by an overwhelming vote. And now the committee, out of deference to the will of the House ex-

pressed so many times, has brought in a bill which cuts socialized housing out during the next fiscal year.

THIS IS REAL ECONOMY

The action of the committee is very encouraging. Aside from many other economies which are included, cutting out public housing during the next fiscal year will save the American taxpayers at least \$638,539,000—not counting multiplied millions for administrative purposes. That is based on the refusal to allow 35,000 new units to be started.

These public housing projects are extremely expensive. It has been referred to here as low-cost housing. Nothing could be farther from the facts. It is the highest priced housing in American history. The total Federal subsidy on each unit amounts to at least \$12,163.20 over the 40-year period. That is the Federal cost. Then, in addition, there is the local contribution in the form of full tax exemption for all local purposes for a period of 40 years. That's a long time. According to the Housing and Home Finance Agency, that amounts to 50 percent of the Federal contributions over the life of the projects. Since the Federal contributions total an average of \$12,163.20, one-half of that amount would be \$6,081.60, or a grand total of \$18,244.80, on each individual unit.

BONDS ARE TAX-FREE

That is not all. When a new housing project is undertaken, the local housing authority sells bonds to pay for the construction. Those bonds are sold on the market, and bring about 2 percent interest. They are much sought after, and for good reason. The reason is that those particular bonds are tax-free. They are exempt from payment of income taxes. I have here a table put out by one of the most reputable financial houses in the country, Merrill Lynch, Pierce, Fenner and Beane, of New York City. This table shows that a 2-percent yield on a tax-exempt bond is the equivalent of a yield of 13.33 percent on a taxable bond held by an individual in the \$80,000 to \$90,000 individual income tax bracket. And these bonds are backed by the full faith and credit of the United States Government.

This provides a ready-made loophole, ever-expanding, and at a time when I know this Congress is very properly concerned over the inequities brought about by tax loopholes. Do you want to perpetuate this sort of thing? There are no other Federal bonds that are tax-exempt.

So, when we count the money lost through this tax loophole and add it to the cost of these expensive projects, with the Federal and local subsidies, we come up with a saving of around three quarters of a billion dollars annually just by refusing to permit the starts on 35,000 new units each year.

PEOPLE OPPOSE SOCIALIZED HOUSING

Mr. Chairman, in scores of instances during the past year or so the people in local communities have overwhelmingly defeated attempts to unload these public housing projects on them. The people have found out what is going on and when they go for these hand-out schemes

they are actually buying a pig in the poke. They have learned that when these projects are saddled on them they are forced to subsidize them by local tax exemption for a 40-year period. They are learning that they are in many instances only incidentally connected with slum clearance. They are learning that the sale of bonds to finance them provide a ready-made tax loophole because the income on such bonds cannot be taxed.

Vacancies are being reported all over the country. Big drives and advertising campaigns are being put on in an attempt to get the units occupied by those who are eligible. Such reports have come in from Wilmington, Del.; Newark, N. J.; Denver, Colo.; Birmingham, Ala.; Wilkes-Barre, Pa.; Henderson, Ky.; Bremerton, Wash.; and Union City, N. J. In my own State of Texas considerable vacancies in scores of projects are being reported. Yet, we find the bureaucrats pleading for the privilege of building more and more socialized public housing. This plea is not coming from the people. It is coming from the Government workers and from the local political bigwigs who see a bonanza in selective tenants who will live in these projects. And some pleas trickle in from the uninformed who have not yet learned the truth about this experiment in State socialism.

SOCIALISTIC?

State socialism often begins with socialized housing. That has been true in other countries that became victims of the creeping type of state socialism. We have it in this scheme, and why? Because the Government builds these projects, and then rents them at around 50 percent of the market value of what they would rent for on the competitive market. In other words, under this program, the American taxpayers dig down into their pockets and pay about one-half of the rent bills for the occupants of these projects. And they are exempt from local taxes, which means that their neighbors have to pay the cost of their sewer service, their garbage collection, and scores of other services such as schools, police, fire protection and things of that kind. And that goes on for 40 years.

Mr. Chairman, if that is a sound program under our American system, then when will some of the planners come in with a demand that Uncle Sam pay half of the grocery bills for these same people? You can sleep in a tent, but you have to have food in order to live. It would certainly be just as reasonable, just as proper, for the Government to pay half of the grocery bills for these occupants as it is for the Government to pay half of their rent bills. What is the difference, in principle?

SHOULD BE STOPPED NOW

Now is the time to put a stop to it. The experiment has been tested and it becomes more and more indefensible. This something-for-nothing philosophy has spelled the doom of many great governments over the world. So why here in free-enterprise America should we pursue the socialistic schemes of Great Britain, of France, and of other coun-

tries? They had it in Austria before the war and it became a national scandal there. The program inevitably gets into politics and becomes a breeding ground for corruption. That has happened in many instances in this country. I shall not take the time to go into detail, but scores of instances have already cropped up where favoritism and political corruption have been practiced.

Mr. Chairman, if we are sincere in our attempt to balance the budget and cut out needless spending and waste, here is a proper place to use the ax. Housing construction at the rate of more than a million units per year is being accomplished by free enterprise. That means homeowners in many instances. It means a program of housing under the finest tradition of American free enterprise. It means self-respect on the part of homeowners or tenants.

Here is a chance to save the American taxpayers three-quarters of a billion dollars, and it affords a real opportunity for us to indicate whether we really mean business when we talk about economy in Government. The pending amendment to authorize 35,000 new socialized housing unit to be started during the next fiscal year should be overwhelmingly defeated.

The CHAIRMAN. The Chair recognizes the gentleman from New York [Mr. FINO].

Mr. FINO. Mr. Chairman, the opponents of public housing argue that public housing is socialistic and should not be a part of our free enterprise system. They further argue that public housing which is tax exempt reduces a vital source of income to the community, and places a greater burden on the taxpaying property. That may be true, but when we are faced with an emergency—a desperate and critical housing shortage throughout the large cities of this country—then proper consideration for the emergency should and must be given precedence. In New York City particularly, there is a definite, serious, and indisputable housing shortage. The State of New York has spent over a billion dollars on public housing and slum clearance to eliminate and help alleviate the condition. In New York City, Federal and State funds have been made available for public housing projects. Yet, in spite of all the projects going up, last year in 1952, there were at least 15 applications for each available apartment which had been erected—and this to take care of only the veterans in the city of New York. Of course, the non-veterans were just out of the picture.

Mr. Chairman, can private enterprise—private builders—build and help solve this acute shortage? Yes; I suppose that would be possible if people could afford to pay \$40 or \$50 a room, and if they could afford to pay \$120 a month for 3 rooms. No; the need for low-rent housing and slum clearance is apparent. The situation is acute, and until the emergency is eliminated, and until the acute situation is eased, every effort should be made to assist the low-income group to be properly housed.

Let us not be shortsighted about this problem. Let us support this amendment.

(Mr. FINO asked and was given permission to revise and extend his remarks.)

The CHAIRMAN. The Chair recognizes the gentleman from North Carolina [Mr. JONAS].

Mr. JONAS of North Carolina. Mr. Chairman, I do not intend to characterize the proponents of public housing as Socialists, and I ask them not to characterize me, as I advocate the adoption of this appropriations bill, as a reactionary or lacking in humanitarian impulses. I base my opposition to this amendment on the ground that we cannot afford to embark upon a new program today, the estimated cost of which will be \$608 million, at a time when the Federal Government already owes \$263 billion, when we are having to spend fifty or sixty billion dollars a year on national defense, and when our budget is unbalanced.

We are not here dealing with slum clearance, urban redevelopment, FHA insured mortgages, or any other loan or matching-funds program. This public housing program is pure subsidy, and the Government does not recover any of the annual contributions made to it.

There has been some reference here and in the press to President Eisenhower's speech the other day before the newspaper editors. In that speech he did make a statement, which I endorse and concur in wholeheartedly, expressing the hope that the world's tensions may soon be eased so that we may not be required to pour out our material wealth in armaments and can then afford many humanitarian programs. So long as we may be required to spend fifty or sixty billion dollars a year for armaments, I do not believe it would be wise or prudent for us to begin a new project which will obligate the already burdened taxpayer to the extent of \$608 million.

The CHAIRMAN. The time of the gentleman from North Carolina has expired.

The Chair recognizes the gentleman from Pennsylvania [Mr. FULTON].

Mr. FULTON. Mr. Chairman, may I direct the attention of the committee to page 22, lines 12 and 13. That language places in the bill a new provision excluding expenditures for parks, playgrounds, public buildings, or similar facilities, in determining the base upon which calculations for the proportions of local expenditure and Federal expenditure, is made. Could I ask if we can have a direct commitment for the city of Pittsburgh, for our urban redevelopment authority, that we could sit down with the chairman of the subcommittee, the gentleman from California [Mr. PHILLIPS], and the agency to talk out the particular problems involved, so that it will not simply make a calculation on the slum clearance alone, without the park facilities and other amenities that usually go with such a project?

Mr. PHILLIPS. Mr. Chairman, will the gentleman yield?

Mr. FULTON. I yield to the gentleman from California.

Mr. PHILLIPS. I would welcome that, because it would provide information which I think we need. As the gentleman will recall from the general discussion already taken place, this has been discussed in relation to other cities, and I have asked other Members of the Congress to get information from their cities, so that we might sit down and see what it is, because the desire of the committee is only to avoid a duplication of credit, if such exists. I will be very glad to hear what the gentleman has to say.

Mr. FULTON. I want to point out particularly that our situation is one where a whole city, Pittsburgh, has decided to modernize. It involves not only just our local small region, but the schools, playgrounds, and parks as an integral part of the new development of the whole city. I want to thank the gentleman for that offer, and that will satisfy me. I would like to have some explanation put in the RECORD at some later date, because it is not in the report as to the method of execution, so that when the bill is finally passed there will be legislative instruction as to how the agency will carry out this computation. I think that will be a better course than that now planned.

Mr. PHILLIPS. That can be arranged.

The CHAIRMAN. The Chair recognizes the gentleman from New Hampshire [Mr. COTTON] for 2 minutes.

(Mr. COTTON asked and was given permission to yield his 2 minutes to the gentleman from Michigan [Mr. WOLCOTT] and Mr. PHILLIPS asked and was given permission to yield 2 minutes of the committee's time to Mr. WOLCOTT.)

The CHAIRMAN. The gentleman from Michigan [Mr. WOLCOTT] is recognized for 4 minutes.

Mr. WOLCOTT. Mr. Chairman, it occurs to me that this issue has been quite definitely settled in years gone by by this House. I assume that the Appropriations Committee accepted the actions taken by the House in reducing this authorization, virtually reducing the authorization to 5,000 units as more or less of a mandate. That was predicated, as I understand, upon the idea that throughout the years when this program has been in existence there has been a realization that the program was intended largely to take up the slack due to inability, for obvious reasons, of private enterprise not being able to do the whole job, and that where private industry had failed it might be the duty of the Government under this program to come in and take up the slack. Upon that premise we cut the program down to 5,000 units. On that premise, the Appropriations Committee, I assume, cut out the program this year.

Whatever we do here today we should be prepared to stick to, so that there will be no more uncertainty in respect to what the Government's position may be in the public-housing field.

I believe that the public-housing program has served the only purpose for

which it was intended. We are giving encouragement now, and it is the administration's policy to give encouragement, to the production for the next few years of at least a million homes; and I might say, parenthetically, as will be done here later today, adequately financed. We have reached a point where we feel that we can largely do away with rent controls, because the available homes have reasonably met the demand. For that reason there is no longer any excuse, any justification for continuing this program, with its attendant billions of dollars of financing on the part of the Government. This constitutes one of the greatest savings which we can effect with less harm than in any other section of any appropriation bill which we will have to consider. I believe if the matter were before the House today on the question of whether such a program should be initiated we would defeat it overwhelmingly; so we are in the same position today. If we would vote to not initiate the program, then, of course, there is no justification for continuing the program. I hope the amendment will be defeated.

The CHAIRMAN. The Chair recognizes the gentleman from New Jersey [Mr. HAND].

(Mr. HAND asked and was given permission to revise and extend his remarks.)

Mr. HAND. Mr. Chairman, I think the time allotted me will be adequate under the circumstances because I am sure the temper of the House is to defeat the amendment offered by the gentleman from Illinois. Unfortunately, however, and with some embarrassment, I must disagree with the distinguished committee of which I am a member in completely eliminating at this time the public housing program. And make no mistake about it, it is a complete elimination. The committee in its report on page 15 states:

The committee is of the opinion that continuation of this program is not justified and is not in accord with the program for economy and a balanced budget.

I have no quarrel with anyone who takes that position, but let us understand that it means elimination of the public housing program. While with some embarrassment I disassociate myself from the action of the committee in this respect, and while I applaud the magnificent job the committee has done in this bill so far as economy is concerned, that embarrassment is somewhat lessened when I find, in supporting the Yates amendment, that I am in accord with President Eisenhower, who has advocated a modified continuation of this program in his budget. I find myself also, I think, in good company when I am associated with the majority leader of our party in the other body.

This program has been justified. We used to talk about 800,000 units. We cannot consider any such program at this time. But a modified program of 35,000 units, in my opinion, is desirable and appropriate.

I have had some experience with this in my own district. It has worked out well, it has been of great social benefit

to the people of Atlantic City. It is not the socialists, it is not the New Dealers in my town who are for it, but the Republicans and the Republican leadership are for it. I shall support the Yates amendment.

Mr. SCOTT. Mr. Chairman, I associate myself with the views just stated by the distinguished gentleman from New Jersey [Mr. HAND]. I agree with him that support of the Yates amendment is in accord with President Eisenhower's position, namely, the advocacy of a modified continuation of this housing program. A program of 35,000 units is modest, is needed in conjunction with the slum clearance program, and is in complete accord with the recommendation of Mr. Cole, the Republican director of this program.

In the city of Philadelphia, I am not always in accord with the projected location of some of these housing units, but I am convinced that this modest continuance of the public housing program should have the approval of the House.

Mr. MORANO. Mr. Chairman, the distinguished gentleman from New Jersey has made a fine statement. I find myself in complete agreement with him.

(By unanimous consent, Mr. HOEVEN yielded the time allotted him to Mr. HALLECK.)

(By unanimous consent, Mr. KRUEGER yielded the time allotted him to Mr. CURTIS of Missouri.)

(Mr. SCOTT asked and was given permission to extend his remarks following the remarks of Mr. HAND.)

The CHAIRMAN. The Chair recognizes the gentleman from Missouri [Mr. CURTIS].

Mr. CURTIS of Missouri. Mr. Chairman, I have one matter that I want to call to the attention of the House. The Congress authorized the public housing program to operate at a loss. The only reason that the Congress allowed this was on the stated grounds that the poor people would be housed who could not pay full rents.

Mr. Egan, Commissioner of Public Housing Administration, in his testimony before the committee appearing on pages 1232 and 1233 of the committee hearings, said that if the lowest income families had been housed in Government units "that would mean that you would have to greatly increase the subsidy, because we would be getting that much less rental."

Far from increasing the subsidy the full subsidy has never been really tapped. Actually as of June 30, 1952, annual contribution contracts had been written by the PHA to cover 211,000 units; the overall maximum ceiling for annual contributions or subsidies was \$131 million. However, the appropriation by the Congress for this purpose was only \$13,600,000. The actual applied subsidy under these contracts was only \$12,500,000. This is only 10 percent of the authorized subsidy that was used last year. The full allowed subsidy was not needed which proves rather conclusively that public housing did not serve its intended function of housing the poor, for which purpose it was enacted. It unfortunately

gives statistical backing to the impression that many of us concerned with the administration of public housing projects have had that in all too many instances—certain people living in these projects have no business there. They are by no means people unable to pay adequate rent. Judging again by a few cases called to my attention it would seem that Caesar's formula of using bread for votes can be extended to include housing or apparently any other human need.

Now I do not want to leave the impression that the 10 percent ratio of subsidy ceiling to subsidy used reflects solely the failure to extend the housing facilities to the needy which the law provides and the Congress intended.

At the time the \$131 million ceiling was set only 156,084 of the 211,056 units were ready for occupancy. Furthermore, I understand the commissioner contends that only \$26,215,000 was authorized to cover these 156,084 units which would make the ratio of used subsidy to anticipated subsidy if the objectives of the act were carried out 48 percent rather than 10 percent. Furthermore, it is true that economy of operation can bring the subsidy used down a little.

Nevertheless, whatever the figure it is well below 50 percent and clearly supports the conclusion that the bulk of low-cost public housing has not been made available to the folk for whom Congress intended.

Incidentally, I hope the subcommittee will check into this ratio more accurately than I have been able to do in this short time. I believe this ratio properly figured and evaluated is a good check on whether the administrators of the program really are taking care of the people who cannot afford to pay full rent for adequate housing or not.

The CHAIRMAN. The Chair recognizes the gentleman from Minnesota [Mr. WIER].

Mr. WIER. Mr. Chairman, I, like the gentleman from New Jersey, have had some experience with housing in the State of Minnesota. I represent the Third Congressional District which constitutes a part of the city of Minneapolis as well as four rural counties. In this district during the past 6 or 8 years we have had 2 slum-clearance projects that were strictly Federal projects and financed as such. They have been a great asset in the cleaning up of slums, fire traps, rat-holes, and places where disease breeds. In recent years all of the fringe areas of Minneapolis which are the fastest growing parts of our community, have had the so-called private construction, under Federal financing, and that has added considerably to the construction of a lot of new homes on this fringe of Minneapolis. I have some of the most wealthy people of the State of Minnesota in my district and I have also some of the poorest people, and I want to say to you that my record on public housing in this Congress in the past two sessions is well known in the district. I stand here today, and I plead for the adoption of the Yates amendment, and I shall support it both here and if a rollcall, if possible, because I feel sure that the issue of

public housing in my district has been of paramount interest, and I feel sure that I am representing the majority of opinion in the Third Congressional District which, by the way, is the largest district in population in the State of Minnesota. So, I want to contribute here to what I think has been a great help, a great problem saver in our social structure in not only Minneapolis but other urban centers in the Nation.

The opponents of low-rent public housing charge that the program does not house low-income families. I wonder what would happen if some of these opponents, most of them with well-fed stomachs, tried to live on the incomes of families in low-rent projects.

During 1951, the average income of all families admitted was just \$1,797—total family income. The average income of all urban families in that year, according to the Census Bureau, was nearly \$4,100. The median income of the lowest income third was just over \$2,200. Thus, the median income of families taken into low-rent projects was nearly 20 percent below the average for the lowest third of all families.

These are the families for whom the housing was intended. Nothing opponents can say will dispute the facts.

Moreover, these are larger families with children; families who have the greatest difficulty finding housing within their means. Families in low-rent housing have nearly twice as many children per family than do all families in the urban population.

Over 25 percent of the families have but one adult, reflecting the large proportion of broken families among the low-income group.

Over 27 percent of the families were on relief or recipients of social-security benefits or other public pension or payment plans. Nearly 60 percent of the families receiving aid were being helped through old-age assistance or other forms of public welfare aid.

Public housing is meant to be a temporary aid, except for the aged and infirm who have little or no chance of improving their lot. It is intended as a helping hand to families trying to get ahead under their own steam. Over the approximately 11 years of experience with occupied projects, 260 families have been served for every 100 units built. Families who have left low-rent housing, primarily because their incomes advanced beyond the limits, lived in the projects an average of not quite 3 years.

I say experience proves that this program has worked as we intended it should. It must go on. We cannot—and will not—rob these helpless families of the only chance they have for decency.

(Mr. WIER asked and was given permission to revise and extend his remarks.)

The CHAIRMAN. The Chair recognizes the gentleman from Michigan [Mr. CEDERBERG].

Mr. CEDERBERG. Mr. Chairman, the only reason I rise in opposition to this amendment is because I feel it is not in the best interest of the American people of this country as a whole. Now, we have been led to believe that slum clear-

ance could be tied in with Federal low-rent housing. It cannot be for the simple reason that when we move people from slums we cannot move them into low-rent housing. It is true that there may be a few that you can, a few in these slums that have top incomes, but if you have people in the slums that have no such income they cannot possibly get into low-rent housing.

Mr. YATES. Mr. Chairman, will the gentleman yield?

Mr. CEDERBERG. I yield to the gentleman from Illinois.

Mr. YATES. I know that in the city of Chicago we have people on old-age assistance who through their grants pay the rent so that they can live decently.

Mr. CEDERBERG. And we have a number who are not eligible to get into the program.

Mr. YATES. They pay it by grants they obtain through the old-age assistance program.

Mr. CEDERBERG. In other words, the gentleman feels that every time we clear a slum, we should build Federal low-rent housing and move them from the slums into the program and then, if conditions change, move them back into the new project which replaced the slum.

Mr. YATES. Does the gentleman not believe that there should be provision for all the people who live in the slum being cleared—not just those with sufficient earnings to buy new housing?

Mr. CEDERBERG. I do not yield any further, Mr. Chairman.

Slum clearance is an entirely different subject than we are dealing with here as far as Federal low-rent housing is concerned, and we ought to be cognizant of that. Let us not mix up the facts.

Now, there is another thing. I do not think some of you on the other side of the aisle or this side of the aisle would want to vote for legislation that is discriminatory. That is what this legislation is. It does not do the job, because if you have 300 units in a particular town, and having averaged out the incomes of the people going into those units you have to have 100 of lowest income, 100 of higher income, and 100 still higher income, but if you have 200 among them of lowest income, 100 of them will not be eligible, and at that point it becomes political because somebody has to determine what group is going to get into the project. It does not do the job.

The CHAIRMAN. The Chair recognizes the gentleman from Illinois [Mr. O'HARA].

Mr. O'HARA of Illinois. Mr. Chairman, I agree with the distinguished gentleman who preceded me, the dear old poorhouse has less headaches for those who wish to discharge a social obligation with the least trouble and expense. I do not begin to understand why God made so many people with so much pure goodness and so little money. Maybe He made them to test out other people who might be tempted by having too much money.

The easy way to take care of poor people is to throw them into a poorhouse and throw away the key. There are no headaches involved in thinking up that

simple way of handling the housing problems of poverty. Unfortunately, there are heartaches. The poorhouse philosophy takes care of the headaches at the expense of the heartaches.

Our Republican friends want us to go back to the poorhouse. That is all I find in the arguments that come to us from the Republican side of the aisle. In the horse and buggy days there was always a poorhouse just over the hill. I think there is a logical association. I say it with the greatest of personal esteem and with affection, but my observations at times lead me to the conclusion that a mistake was made when an elephant was pictured where a horse and buggy belonged.

When we had the poorhouse in every county our people did not have much money. Compared with their means they spent in doing the best they could in the way of county poorhouses 100 times what we spend today in the way of public housing. And, Mr. Chairman, they never thought of it as being a socialistic delusion. To them it was just a part of living their lives as God-fearing men and women, of accepting their obligations to their less fortunate neighbors.

I think that is what was in the mind of the Republican primary Presidential candidate supported by Illinois Republicans when he said:

I do not believe that anybody who has studied the question is opposed to public housing.

The general theory of subsidizing low-income groups is not a new theory in Anglo-Saxon political life or Anglo-Saxon economic life. It is accepted in every State of the Union, and it does not involve any departure in principle from that which we have pursued during the 150 years of the life of the Republic.

Mr. Chairman, those are not my words. They are the words of the Republican candidate for President of the United States who had the loyal, driving, enthusiastic support, I believe, of every Republican member of the Congress from the State of Illinois. I am not so well informed as regards the State of Indiana, but my recollection is that our distinguished and beloved majority leader was in the same camp. I am wondering what their position today would be on this bill if their candidate had won and were now in the White House. I leave the answer to the analytical skill and political acumen which have always been evidenced by members of the Congress.

I am supporting the amendment of my colleague from Illinois [Mr. YATES], who has directed the debate on this issue for 2 days with a skill that has won the admiration of the Members on both aisles of the House and with an eloquence that comes only from sincerity. But I know the futility of further debate.

In the name of economy the knife is lifted. No words of mine will stay its fall.

In the name of economy the committee strikes an appropriation of \$17,500 calculated to promote proper race relations. When its attention is directed to the fact that this is an unjustifiable slap at minority groups the answer is the lowered thumbs of the Roman Emperor.

In the name of economy the pension fund of every worker in the United States, both governmental and private, was put in jeopardy, and the only answer was the "go ahead" signal.

I would be stupid not to recognize the futility of going further in the debate. Therefore, I am confining my remaining remarks to a field wherein I should have your sympathetic interest. I am concerned over the position in which you are placing the President of the United States and a man I respect and like, a man with whom I served on the Committee on Banking and Currency, the present Administrator Cole. The integrity of the President and of Administrator Cole is involved in what you are doing.

General Eisenhower did say at Pittsburgh on October 27, 1952:

We must have better housing for those Americans who are now forced to live in slums and substandard dwellings.

I will admit that this was not a definite commitment to public housing. It is true, nevertheless, that people who live in slums are without means to help themselves, and I believe that General Eisenhower intended his remark as everyone who heard it or read it interpreted it. That he was not double-talking he proved as President when Administrator Cole appeared before the Appropriation Subcommittee with a recommendation of 35,000 public housing units. Does anyone doubt for a moment that Mr. Cole did that without first consulting the President who had appointed him?

I think Mr. Cole acted in all good faith in his recommendation of 35,000 new units. I think the President of the United States was consulted—as certainly you and I know that he was consulted—and that in approving the 35,000 new units he kept faith with his campaign promises. Yet by your action you of the President's party and of Administrator Cole's party would throw the integrity of both gentlemen to the dogs.

All that Mr. YATES' amendment does is to restore to the bill now before us the recommendations of President Eisenhower and of Administrator Cole. You Republicans are voting neither for or against my colleague from Illinois, [Mr. YATES]. You are voting either for or against your President and the Administrator of his appointment.

After the nomination of General Eisenhower, Colonel McCormick said over the radio and in his newspapers that after 4 years of Eisenhower there would be no longer a Republican Party. Now, Mr. Chairman, I did not say that. I would not want the Republican Party to go out of business because good sparring partners are not always easy for even a champion to find. I do not know that I subscribe to the thought. I think if you give General Eisenhower the chance he might turn out to be a great President. But you Republicans will not give him a chance. On Monday you give lip service in 1-minute speeches and on Wednesday—well, Mr. Chairman, the rollo call will tell. A vote for the Yates amendment is a vote for Eisenhower and Cole, a vote against the amendment is

a kick in the seat of the pantaloons for the President you kissed with words on Monday.

(Mr. O'HARA of Illinois asked and was given permission to revise and extend his remarks.)

The CHAIRMAN. The Chair recognizes the gentleman from Indiana [Mr. HALLECK].

Mr. HALLECK. Mr. Chairman, in the course of the debate yesterday some question was raised as to whether Mr. Cole, the Housing and Home Finance Administrator, expressed the views of President Eisenhower's administration in requesting authority and funds to permit the construction of 35,000 units of public housing to be started during the next fiscal year.

I should like to call to the attention of the Members of the House that, when he appeared before the Appropriations Committee on March 23, Mr. Cole gave the following testimony:

I accepted this office with only one major instruction from the administration: to make a thorough and careful study of all the programs and problems in the field of responsibility of the Housing and Home Finance Agency, and to come up with recommendations, if I can, for meeting those problems more appropriately, more economically, and more efficiently.

I want to say to you very frankly that I am not prepared this morning to recommend or to endorse any major changes in policies or programs. On the contrary, I think that would be going about the job backward. My concept is that we should administer the existing programs as the Congress has set them up until we are prepared to make considered recommendations founded on adequate study and supported by the facts. * * *

Perhaps the largest and certainly the most controversial change in the revised budget is the reduction of the proposed new starts of low-rent public housing from 75,000 to 35,000. The decision to make this change was made by the Executive Office of the President with my concurrence. Thirty-five thousand units, as this committee well knows, is the program level most recently approved by the Congress. In my opinion, the fair and consistent thing to do is to continue the program at that level until we have completed our reviews and are prepared to make further recommendations to the Congress.

The Eisenhower administration has not taken, and is not at this time taking, any position either one way or the other on the fundamental issue as to whether public housing is or is not a responsibility of the Federal Government. Mr. Cole's testimony before the Appropriations Committee made this abundantly clear. And until a thorough study is made, I am quite certain the Administration is not going to take any position on this fundamental issue. All that the Administration is doing at the present time is to suggest that pending such a study the existing program not be increased beyond the level that Congress set for it in this fiscal year. Neither Mr. Cole's recommendation to the Appropriations Committee nor the bill reported by the Appropriations Committee to the House is inconsistent with this approach. The bill reported by the Appropriations Committee does not re-

peal or disturb in any way the basic authority for Federal public housing. It merely holds the program in suspense until a study of the fundamental issue can be made and considered recommendations based on that study presented to Congress next year.

I might say I have introduced here in the House legislation to create a commission to study the whole matter of intergovernmental relations between the States and their subdivisions and the Federal Government. I expect that legislation to be enacted here as well as in the other body, and that will provide for at least a measure of the study that is contemplated.

Mr. Chairman, reference has been made to certain campaign statements that the President made in the last campaign. Why, certainly he has said, as we all have said, on numerous occasions, that we seek better housing. But, I do not think you can find—I know you cannot find—by any logical interpretation of any of those statements, a declaration in favor of Federal public housing. Of course, when we talk about better housing, details of plans, which may be promulgated and carried out, are left to the various aspects of the whole housing program. Where Federal responsibility begins or ends, or where State and local responsibility begins and ends, are matters which are also left undetermined.

Now it comes as no surprise to you who have served with me here when I say that in the past I have opposed Federal public housing. As a matter of good conscience, I have opposed it, and my stand has been made known here time after time as the matter has been before us. So I support the committee in this bill, and I hope the amendment is defeated. As I said, the study is going forward, and I think in due time proper recommendations will be made and proper determinations will be made, but again I commend the committee for holding this program in suspense during the coming year.

Mr. YATES. Mr. Chairman, will the gentleman yield for a question?

I should like to know whether the gentleman's address was an address by him personally, or as majority leader for the administration.

Mr. HALLECK. I happen to be the majority leader, and I am an individual Member of the Congress of the United States, and the statements I have made are my statements based upon all the things that went on in the campaign, and all my observations of things about which I know, and I make those statements on my responsibility as a Member of the House.

Mr. YATES. Does the gentleman state then that the Eisenhower administration is taking no position with respect to public housing?

Mr. HALLECK. If the gentleman listened to me, he heard me say what my impression of the Eisenhower administration's position on this matter is at this time, and what it has been.

(Mr. HARDY asked and was given permission to revise and extend his remarks at this point.)

[Mr. HARDY addressed the Committee. His remarks will appear hereafter in the Appendix.]

(Mr. ROOSEVELT asked and was given permission to extend his remarks at this point.)

Mr. ROOSEVELT. Mr. Chairman, I strongly support the Yates amendment. I have long been an advocate of public housing as the only practical means of clearing our great cities of their slums and of providing decent housing for those of lower incomes who live in these blighted areas.

A reduction of the Federal housing program as proposed by the subcommittee would mean the abandonment of 19 housing projects now scheduled for construction in the city of New York alone. It would mean a loss to the city of 24,000 low-rent apartments. This represents fully 60 percent of New York City's scheduled allocation under the Housing Act of 1949.

The 1950 census figures clearly show that almost a half million families in New York City were either without their own individual apartments or housing units or were living under substandard conditions. As the mayor of the city of New York has pointed out, the New York City Housing Authority had an average of more than 200,000 active applications in its file during 1952. This was more than 15 applications for each apartment that became available during the year. Applications are currently being received at the rate of almost 600,000 a year.

This problem, while serious for the city of New York, is duplicated across the Nation in every urban area. President Eisenhower recognized this fact when in a speech at Pittsburgh, Pa., last October, he said:

We must have better housing for those Americans who are now forced to live in slums and substandard dwellings.

On at least four other occasions during the campaign, the President made statements in support of public housing. On August 20, 1952, in a speech at Boise, Idaho, he referred to the housing program, which the subcommittee is now attempting to kill, as a moral obligation of the Federal Government. On October 9, at Los Angeles, Calif., he stated that this program was a sound investment in a sounder America.

The President was not alone in these pronouncements. The 1952 Republican platform pledged Federal aid to slum clearance.

The failure to adopt the Yates amendment will not only mean the complete abandonment of the public housing program, but would impose a tremendous handicap on the urban redevelopment program as well. Thirty-five thousand public housing units per annum is the irreducible minimum to which this program can be slashed.

I agree with President Eisenhower that the public housing program is an investment. Except in the most technical bookkeeping sense, the cost of this program to the taxpayer is trifling. Over the long pull, it is more than likely that every dollar spent on decent housing to replace slums will be returned to the national exchequer, to say nothing

of the benefits of this program in terms of human betterment, the prevention of crime and disease and the enhancement of individual self-respect. I might even add that the very presence of these housing units brings substantial business to the taxpayers in the communities where these projects are located.

As a member of the Foreign Affairs Committee, I was much impressed by President Eisenhower's stirring speech of April 16, when he called upon men of good will in all countries to battle against poverty and human misery. I think it incredible that the representatives of his own party should now attempt to scuttle a program aimed at the obliteration of poverty and wretchedness at home at the same time that the President demands of other nations a bold and courageous assault against substandard living conditions.

Also, for the information of the House, I would take the liberty of reading into the RECORD the text of a telegram which I today received from Robert Moses, chairman of the New York City Slum Clearance Committee, and one of the Nation's acknowledged experts in this field:

HON. FRANKLIN D. ROOSEVELT, Jr.,
New House Office Building:

House Appropriations Committee has reported appropriation bill with a committee rider which conditions funds appropriated for title 1 slum clearance so that only cash contributions by city will count toward the city's one-third share on projects. This is completely unrealistic and outlaws substantial items of city expenditures such as schools, parks, playgrounds and other public facilities built for and as part of project. Under the present law these are recognized as part of city contribution. Approval of this rider would destroy entire title 1 slum clearance program. I urgently request your aid and cooperation in elimination of this committee rider.

ROBERT MOSES.

Mr. HOLTZMAN. Mr. Chairman, we are again witnessing an example of so-called economy by the Republicans in the scuttle of the housing program.

Coming on the heels of the tidelands giveaway, the inconsistency of the Republican Party becomes more apparent to all the people.

These things point irrevocably to the basic and fundamental difference between the philosophies of the Republican and Democratic Parties, and prove beyond any doubt that the Republicans have never been, nor are they now concerned about the needs of the little people.

Equally as important—if not more so—as the current investigations to detect and prosecute subversion, is the need to conquer communism at its source.

No one will deny that communism is festering and grown where there has been poverty and desperation, and it seems basic that our people cannot be content unless they have a decent home in which to live.

If we can subsidize foreign countries, our airlines, steamship companies, railroad lines, and our farmers, we can and we must continue our housing program.

Under leave to extend my remarks I include herein an editorial which ap-

peared in today's New York Times, entitled "Folly on Housing":

FOLLY ON HOUSING

More than one-fourth of the so-called savings reported by the House Appropriations Committee in the independent offices bill comes under the heading "Reduction in Public Housing Units." What the committee proposes is to halt the Federal public-housing program by forbidding further loans, annual contributions, or authorizations to start construction.

"The committee is of the opinion," says its report, "that continuation of this program is not justified and * * * that many projects where low-rent housing has been constructed are having difficulty in completing the occupancy of such facilities." Whatever may be the situation elsewhere, we wish to call attention to the statement of Mayor Impellitteri this week that the New York City Housing Authority had "more than 15 applications for each apartment that became available during 1952 and that the demand continues so great that virtually no non-veterans' families, even those evicted on the streets, can be accepted for public housing." The slash in funds would mean deferment of 19 proposed housing projects in New York City embracing 24,000 low-rent apartments. Projects now under way would not be affected.

For Congress to suspend the already sadly reduced public housing program would be a disaster for such large urban centers as New York, which are in desperate need of the low-rent housing and slum clearance that the Federal law makes possible. The 1949 act originally authorized the start of 135,000 units annually; but this ceiling was cut to 50,000 in 1951 and to 35,000 in 1952, inadequate figures at best but certainly better than the 5,000-unit ceiling that the House tried unsuccessfully to impose last year. If the House now accepts the pennywise, short-sighted recommendation of its appropriations committee we trust that the Senate will—as it has previously done on housing bills—rescue the House from its own folly.

PUBLIC HOUSING NOT FOR THE POOR OR NEEDY

Mr. GWINN. Mr. Chairman, one of the cruelest hoaxes of all is the sales argument used for socialized housing that it will take care of the poorest and neediest citizens in our cities. The law states in section 2 that public housing would be for families who are in the lowest-income group. There is no pretense of living up to this provision of the law. The Commissioner of the Public Housing Administration admitted this when he told the Appropriations Committee that the Administration was not presently housing the poorest people. He warned the Congress that it would require much greater appropriations to pay public-housing deficits if they were going to carry out the law and house the poorest citizens.

Mr. EGAN. Yes. But as a matter of fact, Mr. THOMAS, if you took the language to mean that we are to rent the houses to the lowest-income people, that would mean that you would have to greatly increase the subsidy, because we would be getting that much less rental. In other words, if we were to actually rent to the lowest-income families in the community we would of necessity require a larger subsidy.

Mr. THOMAS. You would require the full \$336 million?

Mr. EGAN. It might be, but it so happens that the income of lowest-income families today is not so low that we would require the full subsidy. (Pp. 1232-1233 of hearings.)

Few realize that the public-housing tenants, mostly higher-income groups, have a large part of their rent paid by the Federal taxpayers. They enjoy political patronage in return for their votes. They dodge their fair share of local taxes to pay for schools and other public services. It is shocking to know that first, the legal-income limits for occupancy of public housing are not the lowest in the community, and second, tens of thousands of overincome tenants still occupy public housing illegally. The Administrator keeps raising the rents so as to enable this privileged group to pay less than they should to be exempt from taxes. In January over 400 overincome families were found in public housing in one west-coast city alone.

You may be surprised to know that one way being used to keep a higher-income tenant from illegally residing in public housing is to raise the income limits so that the ineligible families can qualify and continue to occupy public housing.

For example, in Newark, N. J., Louis Danzig, director of the housing authority, said it was difficult to find a person who would work for less than \$60 per week and it was not feasible for the authority to house only relief families. He said that his chief problem was that the industries of Newark pay their workers too much money to be eligible for the socialized housing units. Too bad to have public housing on their hands. Tenants can earn \$75 a week and better and still be eligible for public housing in Newark. It is reported that permissible income to qualify for public housing in Newark is greater than the average income of all residents of Newark. Those earning less pay their own way and also pay for the favored few in public housing who earn much more than they.

Bremerton, Wash.: I have a clipping from the Bremerton Sun of March 20, 1953, stating that 464 families in the public-housing projects were ineligible in January. According to the story, 57 families had reestablished eligibility by lowering their family incomes by getting their wives to quit their jobs or by moving members of their families out of the units. Thus American initiative and productivity is stifled.

Some of these 464 families must have had awfully high incomes because the Bremerton paper states that two-person families can earn as high as \$4,500 a year and still be eligible; families of 3 or 4 can earn up to \$5,000 and still legally occupy the units; families of 5 or 6 persons can earn as high as \$6,500 and still be eligible; and families of 7 or more members can earn \$7,000 and still be legal occupants of the socialized units.

This is far from poor people's housing which many people still think this program is.

The gentleman from Illinois [Mr. YATES] told the Committee of the Whole yesterday that public housing was restricted to families earning less than \$3,000 a year. This is incorrect as shown. Besides, why should those earn-

ing \$3,000 a year live on the taxpayer?

Pittsburgh, Pa.: The Administrator of the Pittsburgh Housing Authority and a past president of the National Association of Housing Officials, the paid public housing employees, has gone so far as to state that when the steelworkers in Pittsburgh get a wage increase public housing income limits must be raised to allow the better-paid steelworkers to continue to occupy the socialized units within the legal limits. So we go marching on, forgetting the poor and exploiting them instead, to house political party favorites.

In a few days the same people who are now pressing us to overrule the Appropriations Committee and expand the public-housing program are going to be asking us to extend Federal rent control, now going on its 12th year. They will undoubtedly claim that you cannot allow the private owner to raise rents for fear of hurting the tenants. They have already told our Banking Committees that the tenants in the lowest-income group would be hurt by any increased incomes for rental owners. I wish we had the full story on the rent increases in socialized public housing clear across this country during the time the private rental owners have been frozen. Here is one example:

Asbury Park, N. J.: Last summer in the Asbury Park Evening Press of July 25, 1952, the housing authority was asking to raise rents on these supposedly needy people 28 percent in some units up to 67 percent in other units. For example, in Grant Court 5½-room apartments were to have the rent raised from \$39 a month to \$65 a month. Sixty-five dollars a month is certainly not low rent, particularly when you add in the Federal subsidy and the local tax loss from the tax exemption. With the subsidy and the tax dodge, this rent must be \$80 or \$90 a month if we knew the actual figures.

If private owners of rental property had raised rents as the public housers have—if private rents went up like that—they would be in jail. That is what happens when Government manages our economy. Public housing has failed in its announced purpose, first, to house the neediest citizens, and second, to provide low rentals. The rents are high and the neediest people are shut out.

Public housing should be liquidated and the proceeds applied against the national debt.

Mr. THOMAS. Mr. Chairman, I ask unanimous consent that all Members may extend their remarks in the RECORD at this point or any other point in the RECORD that they see fit on this subject.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

Mr. ELLIOTT. Mr. Chairman, there are two failures of the first independent offices appropriation bill for the fiscal year 1954 which deserve the closest possible scrutiny by the Members of the House before final action on the bill is taken.

It is my belief that both failures to which I refer are serious ones and ones which must be remedied before we can

conscientiously pass this bill. In an effort to do my part to improve the bill, I shall vote to recommit it, with the hope that the committee will greatly improve the bill.

The first big defect in the bill is the failure to appropriate money to the civil-service retirement fund. This fund has a potential liability of some \$10 billion. At the present time the fund has assets of only \$5.2 billion, the remainder of which must, of course, be made up by the Government.

The proposed denial of the item of \$192,015,000 for payment of interest on this debt and the additional denial of \$176,139,000, which represents the Government's share in the payments to the fund for the fiscal year 1954, not only represents false economy but is an actual extravagance in that it merely postpones the day on which we must appropriate these items and much more to preserve the integrity of the retirement fund.

The retirement fund represents a Government obligation to its employees. No one has suggested that we repudiate the obligation and give up the fund. But what we are asked to do is to postpone payment to it, which means leaving a heavier share of the debt to be made up by the taxpayers of future years. Might it be that the party in power is making a record of economy by postponing payment of our just debts?

We have a responsibility to work toward the solvency of the retirement fund. And we are being both unwise and unfair to the American people by simply postponing this responsibility to some future date when we will be faced with a much more costly proposition.

The second failure of the appropriations bill, in my opinion, is its lack of any provision whatsoever to allow the construction of even a single unit of public housing during the next fiscal year.

The Housing Act of 1949, which I was proud to support and vote for, provided for public housing, slum clearance, rural nonfarm housing, rural housing, and research in housing. Appropriations for this program have been decreased considerably since that time. Today, despite the great demonstrated need for the construction of additional units of public housing, we are being asked to give up the program completely and to repeal, for all practical purposes, the 1949 Housing Act.

Mr. Chairman, the Seventh Congressional District of Alabama, which I am privileged to represent in the Congress, has built approximately 800 low-rent dwellings under this program. Persons of low income, including veterans and disabled ex-GI's, and those living on a small fixed income are those who are profiting by public housing.

When we put a stop to this program we are, in effect, telling these persons to get along as best they can, to be content with crowded, unsanitary, unsafe, and dilapidated homes, or possibly no homes at all.

I sincerely hope the House will not allow this appropriation bill to pass in its present form, but will rather deter-

mine to remedy these two unfortunate failures of its provisions.

Mr. HELLER. Mr. Chairman, I am unalterably opposed to the recommendation contained in the report of the House Appropriations Committee which, to all intents and purposes, will completely put a stop to the low-rent public housing program. If this recommendation is approved and the public-housing program is abandoned, many thousands of low-income families throughout the country will have their hopes shattered of ever obtaining decent housing.

The bill now under consideration not only eliminates all new authorizations for low-rent public housing, but it also forbids the Public Housing Administration to contract for the construction of some 200,000 housing units which have been allocated but on which construction has not yet begun. In the city of New York, for example, a total of 33,434 housing units, which have already been allocated, will be affected and the construction of these units will not even begin. This means that 33,434 families in New York, who would have had the opportunity to obtain decent housing, will now be deprived of that chance. It means also that the effort to eliminate slums and firetraps in order to maintain a higher standard of living and proper standards of health in our city will suffer a severe blow.

Shortly after I was elected a Member of Congress, the Housing Act of 1949 was passed by the 81st Congress authorizing a housing program of 810,000 housing units to be constructed over a period of 6 years, at the rate of 135,000 units per year. It was one of the first great measures that I supported and voted for as a Member of this House, and I was particularly impressed by the fact that it was enacted with bipartisan support. That program has never been completed.

In recent years there has been a constant diminution in the number of housing units authorized for construction. In 1951, it was cut down to 50,000 units and efforts were made at the time to reduce the program to only 5,000, but fortunately the House reconsidered its hasty action. Last year, the figure was further reduced to 35,000 dwelling units. Now even this modest program is being eliminated and the entire low-rent housing program which is aimed to eradicate substandard living conditions is being scuttled.

Mr. Chairman, when the Housing Act of 1949 was enacted 4 years ago, after 5 years of intensive study and investigation by various congressional committees, it was regarded then as a minimum program. That program is being gradually emasculated, even though the acute housing situation has not been solved. There is still a tremendous lack of adequate housing facilities in New York and other metropolitan areas where slum conditions exist. It is not difficult to assume that the people of these large urban areas will be bitterly aroused if this program is ended.

I dare say it will not take long for the people to discover that the Republican prelection promises and postelection deeds are not one and the same thing.

Last October Mr. Eisenhower, then the Republican candidate for President, stated:

We must have better housing for those Americans who are now forced to live in slums and substandard dwellings.

Now the members of his own party in Congress are making a mockery of those words.

Mr. Chairman, we cannot sit here and remain completely callous to the misery and the squalor in which thousands of decent and hard-working citizens and their families live, without hope of ever obtaining a decent home in which to raise their children. The federally assisted low-rent housing program is a partial solution to the housing needs of many families. It is imperative that the program be continued and that the authorization for at least 35,000 dwelling units, the same as approved last year, be restored in the bill.

A vote for the committee's recommendation to abandon the program is a vote for the continuation of slums in our cities; it is a vote against providing decent housing facilities for our people.

The CHAIRMAN. The Chair recognizes the gentleman from Texas [Mr. THOMAS].

Mr. THOMAS. Mr. Chairman, I have listened with great interest to the debate, and the membership of the House is to be commended for its clear thinking and the high level on which this debate has been conducted.

I am just wondering where we go from here, as a people of the United States, if we adopt this amendment offered by the gentleman from New York. If you adopt this amendment, you will have public housing from here on out. What is it going to do to us, and what is it going to cost us? Can we afford it? Can we accomplish this same purpose through other methods at less cost? Those are some of the questions you will have to decide this afternoon.

You have two housing programs totaling 1,010,000 units, one in 1937 and the last program was enacted in 1949. It called for 810,000 units. Of that 810,000 you have obligated, constructed, and occupied a total of about 173,000. When that whole program is completed and you have 1,010,000 units, you will be able to house only one-tenth of the low-income groups. Now, what shall we do with the other nine-tenths? They are just as much entitled to this subsidy out of everybody's pocket as this one-tenth. Shall we continue this program and furnish everybody? If so, what will it cost? This last 810,000 units will cost you over the lifetime of the project—and it is a debt you have to pay; you cannot get out from under it—a little in excess of \$12 billion. The program of 1937 will cost about \$2 billion, using round figures, so it will cost about \$14 billion for one-tenth of the people who need it. What are you going to do with the other nine-tenths? Are you going to build houses for them? Do you see you can run into one hundred and forty or one hundred and fifty billion before you get this job done? Then, after you do it, is it not the responsibility of the Federal Gov-

ernment likewise to see that the grocery bill is taken care of, and maybe the clothing bill, and the doctor bill, and the water bill? Those are some of the things you are going to have to make up your mind on this afternoon. Can you afford it? The objective is perfect, but when do you go into the realm of hope and wishful thinking? I think we can do this job and do it just as effectively as we are doing it through FHA with some modifications of the law. When you go through FHA you are giving title and ownership to that home to that individual. When you put him in a public housing unit, you force him to become the vassal of the city, county, or State, and his tenure in that house, if he gets in there, depends on whether he goes along with the political powers that be in the Public Housing Authority, and you know it and I know it. If he does not vote right, there are nine others who are just as eligible as he, so we will move him out or not move him in according to the political whims of some people. But if you go through FHA, you know and I know that you can build honest houses in most sections of the country for \$5,000 or \$6,000—oh, now, listen; just do not kid yourselves now—you know that in my part of the country, in the deep South, you can build them for that. If you move to the Middle West you can build them for not over 50 percent more, and they will be better houses than they have now.

Does anybody question that? You can amend those laws; you do not have to require 10 percent down. Give them 30 years to pay for it without a nickel down and 65 or 70 percent of them will pay for it. Then he owns his home; that is his castle, and he is the king of it. After all, what is the difference between a capitalist and a Communist if it is not that the one owns something and the other does not?

Mr. ZABLOCKI. Mr. Chairman, in the course of debate on the legislation before us, we have heard a number of sound and pertinent arguments urging that the public housing program, approved by Congress in 1949, be continued during the next fiscal year. We were also exposed to some partisan, irrelevant, and shortsighted views, purporting to show why this program should be suspended immediately, as recommended by the Committee on Appropriations.

The Housing Act, enacted in 1949, has been in operation for 4 years. During those 4 years it received considerable praise from some sources, and has been subjected to severe criticism by others. Whatever be the merits of those individual expressions, the fact remains that any weaknesses that the act possesses, and any advantages that it offers, should be obvious by this time.

It has been suggested that the operations of the act, and our overall housing situation, should be subjected to a careful review at this time. I believe that this is the view of the administration, and I concur with it. However, I also believe that the reexamination of our housing program should take place while the program is in operation. This

approach is favored by President Eisenhower, and by his Home Housing and Finance Administrator, who recommended that 35,000 units of public housing construction should be authorized for this year.

The bill, as it stands before us, would ignore those recommendations and in effect terminate the program on the spot. The bill not only knocks out all new authorizations, but in addition forbids the Public Housing Administration to contract for the building of approximately 200,000 units which have been already allocated, but on which construction has not yet begun; 1,774 of those units are earmarked for the city of Milwaukee.

Of the 200,000 units which have been allocated, contribution contracts have already been entered into for 70,000 units between the PHA and the various local housing authorities; 411 of those units are located in my district. The bill before us would in effect require the breaking of these contracts, with no remedy for the local authorities.

For the remaining 130,000 units, any advance planning funds which have been allocated to local housing authorities will go to waste if this legislation is enacted in its present form.

These are very serious reasons which speak against termination, or suspension, of the program at this time.

Mr. Chairman, a businessman does not shut down his factory to examine the workings of his production system. That review is accomplished while the plant is operating. There are many advantages to this approach, and I would not want to spend the limited time allotted to me in listing them, for they are quite obvious.

As I already stated, the proposed comprehensive review of our housing situation, and of the operations of the act of 1949 in the light of developments which occurred during the past 4 years, appears advisable and should be undertaken as promptly as possible. In the meantime, however, the present program should be allowed to continue in accordance with the request of the administration. I sincerely hope that the committee of the House will accept and vote favorably on the Yates amendment.

The CHAIRMAN. The gentleman from California [Mr. PHILLIPS] is recognized to close the debate.

Mr. PHILLIPS. Mr. Chairman, if the gentleman from Texas wishes more time I will yield him part or all of mine.

Mr. THOMAS. I thank the gentleman, but I do not think I can add anything to what I have already said.

Mr. PHILLIPS. Mr. Chairman, I take this time only to say I think the field has been adequately covered. I think we all know what the argument is: Not whether we are to have housing but whether the Federal Government should be in the public housing business.

It seems to me the appropriate thing, Mr. Chairman, would be to have a vote on the amendment.

The CHAIRMAN. All time under the limitation of debate has expired. The question is on the amendment offered by the gentleman from Illinois [Mr. YATES].

Mr. YATES. Mr. Chairman, I ask for tellers.

Tellers were ordered, and the Chair appointed as tellers Mr. PHILLIPS and Mr. YATES.

The Committee divided; and the tellers reported that there were—ayes 106, noes 198.

So the amendment was rejected.

The Clerk read as follows:

NATIONAL SCIENCE FOUNDATION

Salaries and expenses: For expenses necessary to carry out the purposes of the National Science Foundation Act of 1950 (42 U. S. C. 1861-1875), including award of graduate fellowships; services as authorized by section 15 of the act of August 2, 1946 (5 U. S. C. 55a), at rates not to exceed \$50 per diem for individuals; hire of passenger motor vehicles; not to exceed \$78,000 for expenses of travel; not to exceed \$150 for the purchase of newspapers and periodicals; and reimbursement of the General Services Administration for security guard services; \$5,724,400, to remain available until expended.

Mr. PRIEST. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I do not desire to delay the House at this point in the consideration of this bill but to ask a question or two directed to the chairman of the subcommittee and also to the gentleman from Texas [Mr. THOMAS]. I note that the appropriation here for the National Science Foundation is \$5,724,400. I believe the budget request for the National Science Foundation was approximately \$12 million.

I am in sympathy with the viewpoint of the committee in requesting the National Science Foundation, in the language of the report, to exert every possible effort to bring about further coordination of our basic research conducted or directed by Government agencies.

I simply want to ask this question of the chairman of the subcommittee. Under the basic act creating the National Science Foundation, the Foundation is authorized to accept transfers of funds to be used for basic research from other Government agencies. I thought it might be well if we made it a matter of the legislative history here to indicate that in approving an appropriation for the next fiscal year of \$5 million plus, that the subcommittee is entirely in favor of the basic law operating and permitting the National Science Foundation to accept transfers providing some other agency desires to make such a transfer.

Mr. PHILLIPS. The gentleman is correct. That is in the basic law. The committee approves of it.

Mr. PRIEST. I believe the gentleman from Texas has the same feeling about this particular provision.

Mr. THOMAS. I presume the gentleman from Tennessee does not have in mind that the National Science Foundation will open up any laboratories of its own?

Mr. PRIEST. The National Science Foundation is prohibited by the basic act from operating any laboratories of its own.

Mr. THOMAS. That is correct.

Mr. PRIEST. It simply directs the basic research programs in educational institutions and industrial laboratories. I want to make very clear in the RECORD that this appropriation does not preclude the Foundation under the

basic act from accepting transfers from other Government agencies to direct programs in basic research.

Mr. THOMAS. That is right. That is our understanding of it.

Mr. WOLVERTON. Mr. Chairman, will the gentleman yield?

Mr. PRIEST. I yield to the gentleman from New Jersey, the distinguished chairman of my committee.

Mr. WOLVERTON. I think the gentleman from Tennessee has performed a very worthwhile service in directing the attention of the Committee to this particular feature of the bill. I understand from the answers that have been made and the assurances that have been given that there is nothing in this bill to preclude other agencies from transferring funds, as was intended under the original act to the National Science Foundation of research to carry on its programs of research.

Mr. PRIEST. That is my understanding from both the chairman of the subcommittee, the gentleman from California, and from the ranking minority member on the committee, the gentleman from Texas.

Mr. WOLVERTON. Without the assurance that has been given to us, it seems to me it would have been proper and appropriate to offer an amendment to the bill to accomplish that purpose. However, in view of the assurance that has been given in such explicit and plain terms, it would seem to me it is not necessary under such circumstances to offer a formal amendment.

Mr. PRIEST. I am in agreement with my chairman.

Mr. PHILLIPS. Mr. Chairman, from the apparent attitude of the House I think it would be in order for me to ask unanimous consent at this time that the remainder of the bill be considered as read and open to amendment at any point, and I now do so.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. PHILLIPS. Mr. Chairman, I have some committee amendments. The first, which I now offer, is entirely a technical amendment, being merely a correction of a date.

The Clerk read as follows:

Committee amendment offered by Mr. PHILLIPS: On page 39, line 15, strike out "1953" and insert "1954."

The committee amendment was agreed to.

Mr. PHILLIPS. Mr. Chairman, I offer a further committee amendment.

The Clerk read as follows:

Committee amendment offered by Mr. PHILLIPS: On page 39, at the end of line 15 strike out the colon and insert a period, and strike out all of lines 16 to 25, inclusive.

Mr. PHILLIPS. Mr. Chairman, for the information of the Members of the House, there is no change in the opinion of the chairman nor of the members of the committee that we should attempt to recover the greatest possible amount of money now wrapped up in the FNMA mortgages, to which this refers. Since the writing of the report and since the printing of the bill, however, informa-

tion has been brought to the chairman and through him to the other members of the committee which puts this matter in a different light. I yield to the gentleman from Michigan [Mr. Wolcott] at this point.

Mr. WOLCOTT. Mr. Chairman, the gentleman from California has, I believe, correctly stated the situation. Since the bill was reported out of the Appropriations Committee there have been certain developments which were unforeseen by the committee. During a series of conferences which have been held, it has developed that it is now the intention of the Administrator of the Housing and Home Finance Agency to reverse a policy which has been in existence for some time with respect to the sale of mortgages by the Federal National Mortgage Association.

That policy will be simply this, that it will be the policy of the administration from now on to sell out of the FNMA portfolio as many mortgages as the market can safely absorb. On my own, and without committing the administration, I have convinced myself that the orderly procedure would be to proceed in just that manner. There will be no question of dumping mortgages on the market. I believe the market can absorb something like \$250 million annually. I have some estimates here which add up to almost the billion dollars contemplated in the committee amendment. The first is the reduction of the FNMA portfolio to be effected by what they call across-the-counter sales, approximately \$250 million; through amortization payments, possibly \$100 million; through reduction of the FNMA portfolio to be effected through the use of what they call one-to-one plan, \$100 million. I might say in this respect that because of this change, it might be necessary for the administrators of the act to disregard another provision in the report referring to the one-to-one plan, which is not provided for in the bill itself. So I assume that because of this action taken, it is no longer necessary for them to take into consideration prohibition against the use of money for the one-to-one plan because there is involved in the plan a savings of about \$100 million.

Then, we anticipate we might cancel off about \$150 million of unused authorization in the nondefense activities, and another \$300 million in unused defense housing authorizations, all of which total up to about \$900 million. So that is nearly the billion dollars that the Committee on Appropriations contemplated. I think probably that would be better procedure than to dictate a policy which might require a dumping of the mortgages on the market.

Mr. PHILLIPS. Mr. Chairman, I have complete confidence in the gentleman from Michigan and his knowledge of this subject, and since the committee is actually recovering for application upon the national debt approximately the amount indicated in the bill, we offer the amendment.

I yield to the gentleman from Illinois [Mr. Yates].

Mr. YATES. I would like to ask the gentleman from Michigan a question, if

I may. The gentleman has stated that the FNMA Administrator proposes to sell mortgages in an orderly manner. The Administrator appeared before our subcommittee and stated that he was selling such mortgages at par. The amendment which had been in the bill, and which I have at the desk to strike that out proposes to sell a billion dollars of these mortgages at discount.

Mr. WOLCOTT. I might say to the gentleman that the Administrator has authority to sell at a discount, but the present Administrator will adopt the policy of consulting with the Treasury as to the discount rate.

The CHAIRMAN. The time of the gentleman from California has expired.

Mr. PHILLIPS. Mr. Chairman, I ask unanimous consent to proceed for 5 additional minutes and yield further to the gentleman from Illinois.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

Mr. YATES. Will the gentleman state whether it is the intention of the administration that the administrator will sell the mortgages in his portfolio at a discount?

Mr. WOLCOTT. He is authorized to sell at a discount, and will probably have to sell at a discount, but the market controls the amount of the discount. So we leave it to his discretion, presumably—I say presumably because there is nothing in the law to compel him, but he has assured me he will consult with the Treasury—presumably after consultation with the Treasury, to determine the amount of discount necessitated by market conditions as of the day at which the sale is made.

Mr. YATES. Does not the gentleman believe there should be some limitation on the amount of discount that the administrator can sell any mortgages for because of the fact that at least up to the present he is experiencing some difficulty in selling, and up to the present time he has been able to sell at par, and the mortgages have made a profit for the Treasury of the United States? Therefore, why should he be authorized to sell mortgages at a discount, particularly in view of the fact that the mortgages will be sold to the largest financial institutions in the country, and an individual will not be able to buy such mortgages.

Mr. WOLCOTT. I think we should have confidence in the program which has been set up. The gentleman has mentioned the fact that we have operated at a profit. The profit on FNMA operations at the present time is about \$30 million. They are very jealous of that fund. They are not going to dissipate that fund any more than is necessary to create a turnover sufficient to make available funds for new financing. Serious consideration is given to this in order to provide a program whereby when a finance institution or a builder buys \$100,000 of mortgages from FNMA, that entitles him to a commitment of an equivalent amount. We want to develop that program through the sale of these mortgages upon which there is a precommitment equivalent, and we will

dispose of a good many mortgages and make money available for the benefit of the program. The gentleman should also have in mind that many of these mortgages are originally sold to FNMA at a discount. So that narrows the loss which FNMA takes between the original discount which was taken by the sellers to FNMA and the discount at which they have to sell. I think it is a perfectly safe and orderly manner in which to do it, and I think it has all been worked out so that everybody should be reasonably satisfied.

Mr. YATES. I agree with the gentleman that they should be disposed of in an orderly manner. The only question is whether they will be sold at a loss to the Government of the United States. Right now the mortgages purchased by the Administrator of FNMA are mortgages which bear interest at the rate of about 4 percent, and those purchased from FHA of 4 percent or 4¼ percent. This is the first I have known that a change in the policy of the Administrator is proposed. Is it the intent of the Administrator to sell mortgages at a discount in order to raise the interest rate?

Mr. WOLCOTT. That is an entirely different problem. That is being worked out at the present time, and I think a program entirely satisfactory to the gentleman probably will be announced within the next 10 days.

Mr. PHILLIPS. Mr. Chairman, I retain the remainder of my time. How much is it?

The CHAIRMAN. The gentleman has 1 minute remaining.

Mr. PHILLIPS. Mr. Chairman, I wish to emphasize the fact that what is being done is to provide an orderly means of disposing of these mortgages through the Administrator, in such a way that there will be recovery for payment against the national debt, during a reasonable time, presumably within the next year, the equivalent of the amount desired by the committee.

Mr. CELLER. Mr. Chairman, will the gentleman yield?

Mr. PHILLIPS. I yield to the gentleman from New York.

Mr. CELLER. Why is it that the FNMA Administrator refuses to sell any of these mortgages to individuals?

Mr. PHILLIPS. The present Administrator has not done so. That was the previous Administrator, and probably the gentleman should speak for him. I think it was done because of the service charges.

The CHAIRMAN. The time of the gentleman from California has expired.

Mr. YATES. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I want to congratulate the committee for striking out of the bill the provisions relating to FNMA. As a matter of fact, I have an amendment at the desk which was directed to the same purpose, which will no longer be needed now. Certainly the provision, as in the bill, as I pointed out yesterday, would have provided a tremendous windfall for the large financial institutions of the country. They would be given preference in the sale at a discount of at least

\$1 billion worth of mortgages now held in the portfolio of FNMA.

I note what the gentleman from Michigan [Mr. Wolcott] has stated will be done by the new Administrator.

I trust that his committee will keep a sharp eye on the activities of FNMA in order to assure that the Federal Government, which up to the present time has made a profit of approximately \$30 million from the mortgages in the portfolio, shall not in the future lose the profit and lose additional sums of money as a result of discounts given by the administrator of FNMA. I for one will object to the ruling of the director of FNMA in refusing to permit individuals to purchase the mortgages he holds. Only the large financial institutions, many of them who sold the mortgages to FNMA in the first place, can purchase such mortgages at the present time. This I think is an unfair and a most inequitable regulation.

Mr. JONAS of North Carolina. Is it not true that the hearings disclosed the fact that the reason individuals were not permitted to purchase the mortgages was because an individual could not service the mortgage?

Mr. YATES. That was the reason that was advanced by the administrator; but, as I pointed out in the hearings, there is no reason why the Federal Government could not protect itself in transferring these mortgages by limiting its liability if it were not serviced properly.

Mr. JONAS of North Carolina. But the former head of the agency assigned that as the reason it was not done.

Mr. YATES. That is right.

Mr. JONAS of North Carolina. That it was difficult for the individual to service the mortgage.

Mr. YATES. But in my opinion a purely specious reason.

Mr. CELLER. Mr. Chairman, will the gentleman yield?

Mr. YATES. I yield to the gentleman from New York.

Mr. CELLER. There are present conditions with reference to servicing when the FNMA Administrator sells to financial institutions that guaranty, I suppose, that the mortgage will be serviced.

Mr. YATES. There are regulations of FNMA that the mortgage will be serviced; and that raises this point. The hearings disclosed that the FNMA sale of mortgages to large financial institutions contains nothing to prevent that institution from reselling the mortgage to an individual. The difficulty which the Administrator says he seeks to prevent can, therefore, take place, so the reasoning of the Administrator is fallacious.

Mr. CELLER. Mr. Chairman, will the gentleman yield further?

Mr. YATES. I yield.

Mr. CELLER. So that there are no guaranties that the Government exacts from the purchaser to the effect that the mortgage will be serviced if it is true that the vendee, the financial institution that buys the mortgage can in turn sell to individuals.

Mr. YATES. I think that the regulations of FHA provide that in the event the mortgages are not serviced properly

by any of the institutions to which such mortgages are sold, FHA will not sell any further mortgages to such institution in the future.

Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California [Mr. Phillips].

The amendment was agreed to.

Mr. WILLIAMS of Mississippi. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. WILLIAMS of Mississippi: Page 49, after section 303, add a new section as follows:

"SEC. 304. No part of the funds appropriated in this act shall be used to pay the salary of any employee provided for in this appropriation at a rate in excess of the salary now paid to Members of the Senate and House of Representatives: *Provided, however,* That such limitations shall not apply to the office of the President of the United States."

Mr. WILLIAMS of Mississippi. Mr. Chairman, first let me say that this amendment covers only the heads of agencies which are listed in this appropriation bill, and that it in no way applies to the office of the Vice President of the United States. I just want to make that statement for the sake of clarification.

I think the purpose of the amendment is very obvious: Simply to cut some of the superbureaucrats down to the size of Senators and Congressmen.

I want it understood that I am not beating the drums for a salary raise for Members of Congress. I offered to serve for a stipulated salary and I, personally, am not complaining. I did not get into politics to make money. Anyone who gets into politics with the hope of getting rich is either a fool or a crook.

I was raised to look upon the Congress of the United States as the world's greatest and most distinguished deliberative body. When I was a child, my greatest ambition in life was some day to serve in the Congress of the United States. I had always recognized that to be next in importance only to the offices of President and Vice President.

Look at the offices we are appropriating for today. I daresay that not one Member of Congress can name the head of everyone of these agencies for which we are appropriating, and who receive in salary more than a United States Senator.

Of course, you can name some of them, you cannot name all of them, but the heads of these agencies receive more in salary than you do.

I am not willing to say, as a Member of the United States Congress, that any of these agency heads is worth more to the people of the United States than our distinguished majority leader, the gentleman from Indiana, who but for some fancy political trading 4 years ago would have been defeated for Vice President of the United States. I am not willing to say that any one of these administrators, as responsible a job as he might have, is worth more to the people of the United States than the distinguished

majority leader in the other body, or the minority leader in either House.

The amendment I have offered simply asserts that the Congress of the United States is still the most important body of Government in this country. As a Member of this Congress, I am tired of seeing us surrender the dignity of this great body to a group of appointed bureaucrats, many of them repudiated by their people in previous elections.

Mr. HOFFMAN of Michigan. Mr. Chairman, will the gentleman yield?

Mr. WILLIAMS of Mississippi. I yield to the gentleman from Michigan.

Mr. HOFFMAN of Michigan. What about the compensation of members of the staff of some of our standing committees? Their salaries compare with those of Congressmen.

Mr. WILLIAMS of Mississippi. I would agree with the gentleman, but they are not covered by this bill. We will cross that bridge when we get to it. The gentleman is absolutely right—they should be included also.

I think that the service rendered to this country—even by the gentleman from Michigan—is worth more than that of heads of any of these independent agencies. I am pretty sure that the people of Michigan must agree, because they have sent him back every time he has offered for reelection.

Mr. HOFFMAN of Michigan. Mr. Chairman, will the gentleman yield?

Mr. WILLIAMS of Mississippi. I yield to the gentleman from Michigan.

Mr. HOFFMAN of Michigan. I admit all that.

Mr. McCORMACK. Mr. Chairman, I offer a substitute amendment.

The Clerk read as follows:

Amendment offered by Mr. McCORMACK as a substitute for the amendment offered by Mr. WILLIAMS of Mississippi:

"The salaries of Members of the Congress after the enactment of this bill shall be \$22,500 per year."

Mr. WILLIAMS of Mississippi. Mr. Chairman, I make a point of order against the amendment.

Mr. McCORMACK. I concede the point of order, Mr. Chairman.

The CHAIRMAN. The Chair sustains the point of order.

Mr. McCORMACK. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I wanted to see how game some Members of this body are in connection with the consideration of their own salaries. I have made several speeches in the past that we ought to raise our salaries to \$25,000 a year. We have an amendment offered now by my good friend from Mississippi—and I say that endearingly and complimentary, although he very seldom votes with me, which amendment would drag down others. As a matter of fact, we ought to have the courage to do what we should do. Let us be frank about it. In a period of emotionalism sometimes an amendment is adopted when rational judgment tells us it should not be adopted. What is the salary that we receive? Is it \$12,000 or \$15,000? Well, the salary a Member of Congress receives is \$12,000, with some kind of a \$3,000 expense account. When I offered

an amendment last year to the legislative appropriation bill giving us what every businessman throughout the country and everybody else throughout the country gets from the angle of business deductions when they are on a trip other than their home city, the other body refused to go along.

How many people realize that Members of Congress, coming from Boston and San Francisco and all parts of the country, as we do, are not allowed business deductions from our gross income, for our actual expenses in Washington in connection with our official duties? Any businessman in my district can come down here, hire a suite for a year; they can entertain—and I am not talking about entertainment on our part being a business deduction—but they can entertain and they can deduct it as a business expense from their gross income, and properly so. But, it is denied to Members of Congress. As a matter of fact, most of the people in the districts, when asked where the Congressmen live, think they live in the White House, and most of the people think that all of our expenses are paid. Out of the salary we receive we maintain two homes. Every Member has his problems. I gave up my law practice 25 years ago, and I had a big one when I was elected, where I earned three times as much; I had three times as much income as I then received as a Member of Congress. Every one of us makes sacrifices to render public service. I did not expect my amendment to be considered, and I am not criticizing the point of order being made against it, but the fact remains we should consider this matter before this session is over and we should have the courage to face the situation. The people of our districts will respect us. The people of our districts want us to receive a salary that would at least be consistent with the dignity of the position and the responsibilities that are ours. So, out of the amendment offered by my friend from Mississippi might come some good. However, his amendment should be defeated. In a moment of joyousness in our emotionalism to take a crack at bureaucrats, we know what a sinister connotation is attached to it, but most of them are honorable men, whether serving in the executive branch or any other branch, whether under a Democratic administration or Republican administration. There are some down there that do things that are wrong, just the same as some things that some of us occasionally do that are wrong, and I am not condoning that. But, in a state of emotionalism, sometimes an amendment is accepted that otherwise should be rejected. I hope the amendment will be defeated and I hope we will have the courage between now and the end of the session to consider the question of a proper, adequate salary for Members of the Congress. I am willing to put myself before the people of my district on the question, which I did by offering this amendment. I am willing to go before the people of my district and argue this out.

I have never yet failed to vote for an increase in salary for myself, whether as

a member of the Massachusetts Legislature or a Member of Congress, because I felt on each occasion it was justifiable. Certainly under the living conditions and the costs of today, the \$15,000 gross, \$12,000 salary and \$3,000 expenses, is not an adequate salary even at a minimum for Members of the Congress.

Mr. COUDERT. Mr. Chairman, will the gentleman yield?

Mr. McCORMACK. I yield to the gentleman from New York.

Mr. COUDERT. Certainly it would be of enormous benefit to the Members of Congress from the standpoint of their financial obligations and burdens if the term were extended to 4 years. I wonder if the gentleman would be disposed to support such an amendment. I introduced one at the opening of the session.

Mr. McCORMACK. There is an honest and a serious question about that. From the personal angle I would say "Yes." However, I feel that one branch of the Congress should keep as close to the people as is possible. Recognizing the power of the argument for the 4-year term and recognizing the other elements involved, I am inclined to think I would not support that particular proposition. However, that has nothing to do with what I am discussing. At least we ought to have the courage to approach the situation and give ourselves the consideration to which we are entitled and which the people in every one of our districts will support.

Mr. ROGERS of Texas. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I am somewhat embarrassed to follow two such distinguished orators as have preceded me, but in view of the laughter that went through the Chamber during the talk by the gentleman from Mississippi I rise here to ask that you do consider this amendment in all seriousness. I commend the gentleman from Mississippi on offering the amendment, but I want especially to call to your attention the manner in which it is worded. This amendment does not reduce the salary of anyone if we follow the suggestion of the distinguished minority whip from Massachusetts. It merely states that these bureaucrats cannot get a higher salary than the Members of the United States Senate and the Members of the House of Representatives. If our salaries are raised, and I am not here to debate that issue, which is not before the House, certainly the salaries of these bureaucrats can be raised. That is something that will have to be argued out at the particular time.

The only justification I have ever heard advanced for the \$17,500 salaries for these department heads while Members of Congress are receiving \$12,500 is that unless we pay them these salaries we cannot get men who are qualified.

Mr. WILLIAMS of Mississippi. Mr. Chairman, will the gentleman yield?

Mr. ROGERS of Texas. I yield.

Mr. WILLIAMS of Mississippi. I would like to explain one thing. This amendment does not touch the salary of a single Cabinet officer, even.

Mr. ROGERS of Texas. That is exactly right.

Mr. WILLIAMS of Mississippi. The only persons to whom it applies are these supergrade, top-level pet bureaucrats. It just cuts them down to our size.

Mr. BENTSEN. Mr. Chairman, will the gentleman yield?

Mr. ROGERS of Texas. I yield.

Mr. BENTSEN. I would like to make a suggestion on an amendment that we make all of these offices down there where they are having difficulty having good men elective offices and reduce them to \$12,000 a year, and we will always find some fellows who will run for those offices.

Mr. ROGERS of Texas. Mr. Chairman, the gentleman stole my thunder. That is what I was coming to. But I was going to lay this predicate, and I will do it. As I look over this House of Representatives, and into the faces of some very able people, it seems to me that if they cannot get these bureaucrats by appointing them, that is get qualified people, all they need to do is to make the office elective. I am sure all of you feel you are able, and if some of you are embarrassed to say you are, certainly you can refer any person questioning that back to your electorate who send you up here because when they think you are not qualified, they usually keep you at home. Many of you have been up here term after term. I say it is high time that this Congress accepted its own responsibilities and equalized the situation so far as salaries are concerned. If we need a raise, and if a raise is justified, let us raise the salaries, but let us stop this business of paying many Civil Service employee more than the salaries of the Members who have to run for election every 2 years, and who come up here and are expected, mind you—expected to have at their fingertips answers to thousands upon thousands of questions whereas the \$17,500 bureaucrats are confined to only one phase of our economy. I just do not think it is right.

Mr. PHILLIPS. Mr. Chairman, there is a problem in my mind. I think I am rising in opposition to the amendment, but I am not sure I am entirely opposed to it. I think I should rise, however, Mr. Chairman, to say, as the gentleman from Massachusetts has also said, that the idea is admirable. I am wholly in favor of what the gentleman has in mind as to the comparison of the salaries, but I think the Congress will realize this is hardly the place to discuss it. Therefore, I suggest that the amendment be not adopted. I would say to the gentleman from Mississippi that the salary which he took as an example of salaries is one that we do not pay. That is an Army salary, which comes along with the officer who is assigned to the work, and we do not pay it out of our budget. It is determined by his rank and not by our vote. That is an example of the reason this is a matter we should not discuss here, but in full at the appropriate time.

Mr. WILLIAMS of Mississippi. Mr. Chairman, will the gentleman yield?

Mr. PHILLIPS. I yield.

Mr. WILLIAMS of Mississippi. If this is not the time and place to discuss it,

where is the time and place? This is the Congress of the United States.

Mr. PHILLIPS. I was just going to state that I think the time and place to discuss it is here but squarely on the issue, and that we should not decrease other salaries, but should be honest enough to raise our salaries and take care of our expenses. I am sure from experience in California and here that the people would support us. I say to the gentleman from Massachusetts, and to the gentleman from Mississippi, that I have one vote ready to vote for that any time it comes up.

Mr. MILLER of California. Mr. Chairman, will the gentleman yield?

Mr. PHILLIPS. I yield.

Mr. MILLER of California. The gentleman will recall that the present salaries of these so-called bureaucrats were fixed as a result of recommendations of the Hoover Commission, which we carried out in this House. The Hoover Commission made another recommendation that we raise the salaries of Members of Congress. We get a lot of applause, but people are afraid in this House to take that action and carry out that recommendation.

Mr. PHILLIPS. I really could not accept that statement that this was the result of the Hoover recommendations because we threw in a few of our own, and we also cut out the economies, which in the Hoover recommendations accompanied the broad recommendation to provide the money with which other salaries could be raised. Mr. Chairman, I suggest that we vote on the amendment.

Mr. BENDER. Mr. Chairman, I move to strike out the last word. Mr. Chairman, I rise in support of the amendment offered by the gentleman from Mississippi.

I first became a Member of this body in 1939 and during all the time I served in Congress, I never asked that a constituent of mine be given a job by the Democratic administration. I suffered as did the rest of the country. Unfortunately, all of these bureaucrats are still here. Our administration has been in for 3 months, and, of course, we are all looking forward to weeding them out. Through some hocus-pocus, they have been retained in their jobs because of civil service, or in spite of it, and in my desire to see them out, I will vote for any legislation to accomplish this good result. People voted last November to throw them out.

If no other opportunity is presented for us to remove them other than to reduce their salaries, of course, I would vote for that.

Mr. BAILEY. Mr. Chairman, will the gentleman yield?

Mr. BENDER. Yes, I yield to the gentleman from West Virginia.

Mr. BAILEY. The only difference between a bureaucrat in the other administration and the present is that they are Democrats.

Mr. BENDER. I am not asking that these employees be replaced. I want them out. This Congress was elected to reduce expenses. This is the time to do it, and this is the place. Whatever we

do here in reducing expenses will help to achieve results.

Mr. GAVIN. Mr. Chairman, will the gentleman yield?

Mr. BENDER. I yield to the gentleman from Pennsylvania.

Mr. GAVIN. I want to say to the distinguished minority leader that the other side has no monopoly on the record vote. There are many more of us who will vote for an increase for the Members of Congress, and will be glad of an opportunity to stand up and be recorded.

Mr. BENDER. I agree with the gentleman.

The CHAIRMAN. The time of the gentleman from Ohio has expired.

The question is on the amendment offered by the gentleman from Mississippi [Mr. WILLIAMS].

The question was taken; and on a division (demanded by Mr. WILLIAMS of Mississippi) there were—ayes 38, noes 132.

So the amendment was rejected.

Mr. PHILLIPS. Mr. Chairman, I rise to see if we can come to some agreement for concluding debate on the bill.

I ask unanimous consent that all debate on the bill and all amendments thereto close in 10 minutes, 5 minutes for the gentleman from New York [Mr. JAVITS] and 5 minutes for myself.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. JAVITS. Mr. Chairman, I offer an amendment, which is at the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. JAVITS: On page 44, line 4, strike out the proviso in lines 4 to 7, inclusive.

Mr. JAVITS. Mr. Chairman, this amendment is intended to strike out that provision of this bill which would eliminate an Assistant Administrator who is concerned with authorizing projects under section 213 which deals with cooperative housing.

We have heard some very impassioned speeches about people owning their own homes. This amendment concerns a provision written into the law by which people may own their own homes in multiple-family dwellings, cooperative apartments. It is one of the very few ways in which private ownership of multiple-unit housing is possible, and I think every Member knows that the grave deficiencies in middle-income housing in the country are just in this field.

The Assistant Commissioner was originally set up in order to give this program a lift. What has been done under the program so far, I understand is the following: 21,000 units have been built and \$194 million in mortgages guaranteed. I think we all understand what the program is: These people club together with a great many having veterans' preference in that way getting a bigger percentage of the building costs allowed as mortgage principal and get a lower interest rate of 4 percent and a longer term mortgage if they own the project as cooperatives, these multiple-family apartment houses.

It is my understanding, and this seems to be the question about it, that there are over 100 projects in work in this particular department. They involve about 17,000 units and about \$170 million of additional mortgage insurance. I discussed it with the chairman of the subcommittee. He has showed me all the facts and figures and there seems to be some difference of view over this matter of the Assistant Commissioner of FHA. I think it is very important, because it is a way to get middle-income housing and have apartment-house dwellers own their own units.

Mr. PHILLIPS. Mr. Chairman, will the gentleman yield?

Mr. JAVITS. I yield to the gentleman from California.

Mr. PHILLIPS. This is the situation: There is no way you can continue some functions a little bit; you either have them or you do not have them, and this is one of them. There seemed to be very little feeling that it could not be eliminated with saving and without any material hurt. At the end of the year there had been 78 projects approved. It would no longer be necessary to work upon them. There were only 12 projects in process at the office; and there was a general feeling that the Assistant Commissioners could be eliminated.

We sent our investigators down to work on that. They recommended, as I read to the gentleman from New York—that they had had time to go into it only superficially—but they believed that it could be eliminated and that the position of Assistant Commissioner could be eliminated and whatever functions were necessary to be carried out could be carried out through the office of the Administrator himself rather than have the Assistant Commissioner.

The gentleman from New York asked me if I thought this meant the elimination or the continuation of the program. Section 213 still is in effect; we have not touched that. It is no liquidation.

Mr. JAVITS. My information is that there are about 100 projects in work which includes applications in process. This is one of the few ways in which something can be done about middle-income housing. I think the Assistant Commissioner should be retained, and I hope very much the House will vote up this amendment, keeping the Assistant Commissioner.

The CHAIRMAN. The Chair recognizes the gentleman from California [Mr. PHILLIPS].

Mr. PHILLIPS. Mr. Chairman, I ask for a vote on the amendment offered by the gentleman from New York and then I would like to use my 5 minutes, if I may.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York [Mr. JAVITS].

The amendment was rejected.

The CHAIRMAN. The Chair recognizes the gentleman from California [Mr. PHILLIPS].

Mr. PHILLIPS. Mr. Chairman, I have only two brief comments to make in concluding the debate.

On page 4 of the report the committee, as I said in the general debate yesterday,

the committee wrote in a provision saying that we did not want the TVA to continue action on their suggestion of moving the administrative offices from Knoxville to Muscle Shoals until after we had had the general hearings on the TVA bill in May. Members of the committee went down to look at the situation. There have been favorable comments on the idea, but also unfavorable comments until we know more about it. We came to that conclusion for the following reasons:

First, the TVA did not think it necessary to say anything to the committee that they were going to move and obligate the Congress to an amount over \$8 million. We think they should have taken it up with the committee and therefore should do so in proper order when they come up again.

The other thing I think we should call the attention of the Congress to is the fact that this is not in effect any consolidation. It means opening an office for administrative purposes at Muscle Shoals, retaining an office at Knoxville for the engineering staff and retaining an office at Chattanooga for the power employees. We feel that this, together with other policy matters, should be worked out before we take any action.

I hold in my hand a letter addressed to a distinguished Member of this House, the gentleman from Tennessee [Mr. BAKER], from the Administrator of the TVA and I read only the first sentence which states:

In our view the decision of where the TVA Board hangs its hat is one the Board is particularly fitted to make.

Then it goes on to explain why the the TVA should make such a decision, apparently without regard to the feelings of the Congress.

I rise at this time, Mr. Chairman, only to make very clear to the TVA, and make it a matter of record, that the committee did not put this paragraph on page 21, just to fill a vacant space in the report. We meant exactly what we said. We meant that there are wide policy decisions to be made which have some effect. We do not make them. They are made outside of our committee. Rather than move the employees from 86,000 square feet in Knoxville into 120,000 square feet in Muscle Shoals for the same number of employees, and start this spreading out process, I think we should know more about it. We meant exactly what we said there. It is the intent of the Congress, supporting the committee, that no further action shall be taken on this matter until it has been heard by the proper committee of the Congress, which is the subcommittee on the independent offices appropriation bill.

Mr. JENKINS. Mr. Chairman, will the gentleman yield?

Mr. PHILLIPS. I yield to the gentleman from Ohio.

Mr. JENKINS. I take this time to agree with what the gentleman has said, with reference to TVA and also to compliment him on the fine way he has handled this bill. I must say he has been very exemplary in every respect. He showed a thorough knowledge of all parts

of the bill and he handled the bill in a masterful manner.

Mr. PHILLIPS. I thank the gentleman, but I think the thanks should go from the chairman and the members of the committee to the Members of the House for the very kind reception and treatment we have had today and yesterday. Under the rule the Committee may now rise.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. BETTS, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H. R. 4663) making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1954, and for other purposes, pursuant to House Resolution 207, he reported the bill back to the House with sundry amendments adopted by the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment? If not, the Chair will put them en gross.

The amendments were agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time and was read the third time.

Mr. YATES. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. YATES. I am, Mr. Speaker.

The SPEAKER. The gentleman qualifies. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. YATES moves to recommit the bill, H. R. 4663, to the Committee on Appropriations with instructions to report the same back to the House forthwith with the following amendment: On page 24, line 14, strike out all of line 14 after the comma, and strike out lines 15 through 21 and insert the following: "That notwithstanding provisions of the United States Housing Act of 1937, as amended, the Public Housing Administration shall not with respect to projects initiated after March 1, 1949, (1) authorize during the fiscal year of 1954 the commencement of construction of in excess of 35,000 dwelling units, or (2) after the date of approval of this act enter into any agreement, contract, or any arrangement which will bind the Public Housing Administration with respect to loans, annual contributions, or authorizations for commencement of construction, for dwelling units aggregating in excess of 35,000 to be authorized for commencement of construction during any one fiscal year subsequent to the fiscal year 1954 unless a greater number of units is hereafter authorized by the Congress."

Mr. PHILLIPS. Mr. Speaker, I move the previous question on the motion to recommit.

The previous question was ordered.

The SPEAKER. The question is on the motion to recommit.

Mr. YATES. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 157, nays 245, not voting 30, as follows:

[Roll No. 27]

YEAS—157

Addonizio	Fino	Morrison
Albert	Fogarty	Moss
Aspinall	Forand	Moulder
Auchincloss	Forrester	O'Brien, Ill.
Ayres	Frazier	O'Brien, Mich.
Bailey	Friedel	O'Brien, N. Y.
Battle	Fulton	O'Hara, Ill.
Bender	Garmatz	O'Neill
Bennett, Mich.	Gordon	Patterson
Blatnik	Granahan	Perkins
Boggs	Green	Pfost
Boland	Gregory	Philbin
Bolling	Hagen, Calif.	Pilcher
Bolton	Halcy	Polk
Frances P.	Hand	Powell
Bray	Hardy	Preston
Brooks, Tex.	Hays, Ark.	Price
Brown, Ga.	Hays, Ohio	Priest
Buchanan	Heller	Rains
Buckley	Heslton	Rayburn
Burdick	Holifield	Reams
Byrd	Holmes	Rhodes, Pa.
Byrne, Pa.	Holtzman	Roberts
Camp	Howell	Rodino
Campbell	Javits	Rogers, Colo.
Canfield	Jones, Ala.	Rogers, Mass.
Cannon	Kean	Roosevelt
Carnahan	Kee	Sadlak
Case	Kelley, Pa.	Saylor
Celler	Kelly, N. Y.	Scott
Chelf	Kersten, Wis.	Secrest
Chudoff	King, Calif.	Seely-Brown
Condon	Kirwan	Shelley
Cooper	Klein	Sheppard
Coudert	Kluczynski	Sieminski
Cretella	Landrum	Spence
Crosser	Lane	Sullivan
Curtis, Mass.	Lanham	Sutton
Dawson, Ill.	Lantaff	Thornberry
Deane	Lesinski	Tollefson
Delaney	McCarthy	Trimble
Dodd	McCormack	Vinson
Dollinger	Machrowicz	Watts
Donohue	Mack, Ill.	Widnall
Dorn, N. Y.	Madden	Wier
Doyle	Magnuson	Wigglesworth
Eberharter	Mailliard	Withers
Elliott	Marshall	Withrow
Engle	Metcalf	Wolverton
Evins	Miller, Calif.	Yates
Fallon	Miller, Kans.	Yorty
Feighan	Morano	Zablocki
Fine	Morgan	

NAYS—245

Abbitt	Cederberg	Gavin
Abernethy	Chatham	Gentry
Adair	Chenoweth	George
Alexander	Chiperfield	Golden
Allen, Calif.	Church	Goodwin
Allen, Ill.	Clardy	Graham
Andersen,	Clevenger	Grant
H. Carl	Cole, Mo.	Gross
Andresen,	Cole, N. Y.	Gubser
August H.	Colmer	Gwinn
Andrews	Cooley	Hagen, Minn.
Angell	Coon	Hale
Arends	Corbett	Halleck
Baker	Cotton	Harden
Barden	Crumpacker	Harris
Bates	Cunningham	Harrison, Nebr.
Beamer	Curtis, Mo.	Harrison, Va.
Becker	Curtis, Nebr.	Harrison, Wyo.
Belcher	Dague	Harvey
Bennett, Fla.	Davis, Ga.	Hébert
Bentley	Davis, Wis.	Herlong
Bentsen	Dawson, Utah	Hess
Berry	Dempsey	Hiestand
Betts	Derounlan	Hillelson
Bishop	Devereux	Hillings
Bolton	D'Ewart	Hinshaw
Oliver P.	Dies	Hoever
Bonin	Dolliver	Hoffman, Ill.
Bonner	Dondero	Hoffman, Mich.
Bosch	Dorn, S. C.	Holt
Bow	Dowdy	Hope
Boykin	Durham	Horan
Bramblett	Ellsworth	Hosmer
Brownson	Fenton	Hruska
Broyhill	Fernandez	Hunter
Budge	Fisher	Hyde
Burleson	Ford	Ikard
Busbey	Fountain	James
Bush	Frelinghuysen	Jarman
Byrnes, Wis.	Gambie	Jenkins
Carlyle	Gary	Jensen
Carrigg	Gathings	Johnson

Jonas, Ill.	Norrell	Small
Jonas, N. C.	Oakman	Smith, Kans.
Jones, Mo.	O'Hara, Minn.	Smith, Miss.
Jones, N. C.	Osmer	Smith, Va.
Kearney	Ostertag	Smith, Wis.
Kearns	Passman	Springer
Keating	Patten	Stauffer
Kilburn	Pelly	Stringfellow
Kilday	Phillips	Taber
Krueger	Pillion	Talle
Laird	Poage	Thomas
Latham	Poff	Thompson, La.
LeCompte	Poulson	Thompson, Mich.
Long	Prouty	Thompson, Tex.
Lovre	Radwan	Tuck
Lucas	Ray	Utt
Lyle	Reece, Tenn.	Van Pelt
McConnell	Reed, Ill.	Van Zandt
McDonough	Reed, N. Y.	Velde
McGregor	Rees, Kans.	Vorys
McIntire	Rhodes, Ariz.	Vursell
McMillan	Rhodes	Wainwright
MeVey	Riehlman	Wampler
Mack, Wash.	Rivers	Warburton
Mahon	Robeson, Va.	Welch
Martin, Iowa	Robson, Ky.	Westland
Mason	Rogers, Fla.	Wharton
Matthews	Rogers, Tex.	Wheeler
Meador	St. George	Whitten
Merrill	Schenck	Wickersham
Morrow	Scherer	Williams, Miss.
Miller, Md.	Sclvner	Williams, N. Y.
Miller, Nebr.	Seudder	Willis
Miller, N. Y.	Selden	Wilson, Calif.
Mills	Shafer	Wilson, Ind.
Mumma	Sheehan	Wilson, Tex.
Murray	Short	Winstead
Neal	Shuford	Winecott
Nelson	Sikes	Young
Nicholson	Simpson, Ill.	Younger
Norblad	Simpson, Pa.	

NOT VOTING—30

Barrett	Jackson	Patman
Brooks, La.	Judd	Rabaut
Brown, Ohio	Karsten, Mo.	Regan
Davis, Tenn.	Keogh	Riley
Dingell	King, Pa.	Rooney
Donovan	Knox	Staggers
Edmondson	McCulloch	Steed
Hart	Mollohan	Taylor
Hill	Multer	Teague
Hull	O'Konski	Walter

So the motion to recommit was rejected.

The Clerk announced the following pairs:

On this vote:

Mr. Patman for, with Mr. Jackson against.
Mr. Walter for, with Mr. Brown of Ohio against.

Mr. Rabaut for, with Mr. McCulloch against.

Mr. Multer for, with Mr. Riley against.
Mr. Rooney for, with Mr. Taylor against.
Mr. Judd for, with Mr. King of Pennsylvania against.

Mr. Barrett for, with Mr. Teague against.
Mr. Karsten of Missouri for, with Mr. Regan against.

Until further notice:

Mr. O'Konski with Mr. Keogh.
Mr. Hill with Mr. Staggers.
Mr. Knox with Mr. Hart.
Mr. Hull with Mr. Dingell.

The result of the vote was announced as above recorded.

The SPEAKER. The question is on the passage of the bill.

The bill was passed.

A motion to reconsider was laid on the table.

SPECIAL ORDER GRANTED

Mr. PRICE asked and was given permission to address the House for 5 minutes tomorrow, following the legislative program and any special orders heretofore entered.

PERSONAL EXPLANATION

Mr. WEICHEL. Mr. Speaker, I ask unanimous consent that the RECORD show that I was absent on account of illness on April 15, 1953, on rollcalls 23 and 24.

The SPEAKER. Is there objection to the request of the gentleman from Ohio? There was no objection.

DISTRICT OF COLUMBIA
COMMITTEE

Mr. SIMPSON of Illinois. Mr. Speaker, I ask unanimous consent that the Committee on the District of Columbia may have until midnight Friday to file a report.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

GENERAL LEAVE TO EXTEND

Mr. PHILLIPS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days to extend their remarks on the independent offices appropriation bill.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

THIRD SUPPLEMENTAL APPROPRIATION BILL, 1953

Mr. TABER. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 4664) making supplemental appropriations for the fiscal year ending June 30, 1953, and for other purposes; and pending that motion, Mr. Speaker, I ask unanimous consent that general debate be limited to 20 minutes, to be equally divided and controlled by the gentleman from Missouri [Mr. CANNON] and myself.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

The SPEAKER. The question is on the motion offered by the gentleman from New York.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H. R. 4664, with Mr. BYRNES of Wisconsin in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

Mr. TABER. Mr. Chairman, I yield 5 minutes to the gentleman from Indiana [Mr. WILSON].

Mr. WILSON of Indiana. Mr. Chairman, chapter 1 of this bill pertains to supplemental appropriations for the District of Columbia. There were 12 items requested totaling \$3,871,933. The committee recommends 10 items totaling \$1,271,648, which amounts to a 68-per-

cent cut. All except 3 of the items recommended are mandatory in nature. These mandatory items are:

Fiscal services, for refund of erroneous collections, \$100,000.

District Government Employees' Compensation Fund, \$41,500.

United States courts for reimbursement for services rendered, \$4,764.

St. Elizabeths Hospital, for care of the indigent insane, \$824,243.

Claims, suits, and judgments, totaling \$221,141.

Of a requested \$3,871,933 the Committee on Appropriations deferred, without prejudice, action on one item for continuation of a sewer project.

I wish to congratulate the members of the subcommittee for a good job on this bill, and I recommend that the Congress appropriate the amounts reported.

[Mr. CANNON addressed the Committee. His remarks will appear hereafter in the Appendix.]

Mr. TABER. Mr. Chairman, I yield 5 minutes to the gentleman from Minnesota [Mr. H. CARL ANDERSEN].

Mr. H. CARL ANDERSEN. Mr. Chairman, as the gentleman from Missouri [Mr. CANNON] has well said, the Department of Agriculture requests are split into three items. One of them has to do with the transfer of \$3,150,000 from funds now impounded by the Department of Agriculture. These funds will be used to get ready for the coming acreage control and marketing quotas which are in sight as of July 1 for wheat and as of October 1 for cotton. It is necessary to get busy this spring in preparation for the announcement on wheat, especially, as of July 1 of this year to take care of the next crop year, 1954.

The second item has to do with the Forest Service. The very serious situation in western Montana and Idaho which exists has been called to our attention. The administration has asked us to make available for fiscal 1954 \$9,950,000, approximately, for the construction of access roads into this area which is being threatened by the spruce bark beetle. The only question before the committee and the Congress today is whether or not it is good business to put up \$5,000,000 of that amount now and make this available so that the Forest Service can get to work and start construction of those access roads this spring, and in that way get a year ahead on this problem, and save as much as possible of this good timber.

The third item has to do with making available an additional \$7,500,000 in loans for the rural telephone program.

This constitutes practically what is in this bill for agriculture. I may say that the Subcommittee on Appropriations for Agriculture is in complete agreement on this bill.

Mr. MILLER of Nebraska. Mr. Chairman, will the gentleman yield?

Mr. H. CARL ANDERSEN. I yield.

Mr. MILLER of Nebraska. Does the item for REA loans include telephone loans?

Mr. H. CARL ANDERSEN. It is for telephone loans exclusively for the Rural Electrification Administration. This is \$7,500,000 in addition to the \$25,000,000 in 1953, to take care of the urgent cases which have been called to the attention of the subcommittee. This additional loan authorization requested is very much needed. If I could personally do so, I would insert \$25 million here. We must and should push our telephone program as rapidly as is consistent with good business practice.

The CHAIRMAN. The Clerk will read the bill for amendment.

The Clerk read as follows:

DIVISION OF EXPENSES

The sums appropriated in this act for the District of Columbia shall, unless otherwise specifically provided for, be paid out of the general fund of the District of Columbia, as defined in the District of Columbia Appropriation Acts for the fiscal years involved.

[Mr. WHITTEN addressed the Committee. His remarks will appear hereafter in the Appendix.]

The Clerk read as follows:

RURAL ELECTRIFICATION ADMINISTRATION

Loan authorizations

The basic amount authorized by the Department of Agriculture Appropriation Act, 1953, to be borrowed from the Secretary of the Treasury for the rural-telephone program is increased from "\$25 million" to "\$32,500,000."

Mr. COUDERT. Mr. Chairman, I make a point of order against the language on page 5, from line 7 through line 12. Mr. Chairman, on its face the language is out of order because it clearly amends existing law, and, therefore, is legislation upon an appropriation bill.

Mr. H. CARL ANDERSEN. Mr. Chairman, may I be heard on the point of order?

The CHAIRMAN. The gentleman may proceed.

Mr. H. CARL ANDERSEN. Mr. Chairman, I believe the point of order is clearly out of order. The language which the subcommittee has placed in the bill simply increases the amount of authorization for these particular loans, and in my opinion, it is perfectly in order as we have written it in the bill.

The CHAIRMAN. Does the gentleman from New York [Mr. TABER] desire to be heard on this point of order?

Mr. TABER. I do not, Mr. Chairman.

The CHAIRMAN (Mr. BYRNES of Wisconsin). The Chair is ready to rule. The gentleman from New York [Mr. COUDERT] makes a point of order that the language of this paragraph is legislation on an appropriation bill. It is apparent from a reading of the language that a change is made in the basic act of the Department of Agriculture Appropriation Act of 1953. The Chair sustains the point of order.

The Clerk concluded the reading of the bill.

Mr. TABER. Mr. Speaker, I move that the Committee do now rise and report the bill back to the House with the recommendation that the bill do pass.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. BYRNES of Wisconsin, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H. R. 4664), making supplemental appropriations for the fiscal year ending June 30, 1953, and for other purposes, directed him to report the same back to the House, with the recommendation that the bill do pass.

Mr. TABER. Mr. Speaker, I move the previous question.

The previous question was ordered.

Mr. H. CARL ANDERSEN. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. H. CARL ANDERSEN. Would it be possible for the subcommittee to obtain 5 minutes at this point to prepare a motion to recommit, to take care of the point of order which struck out the telephone program?

The SPEAKER. The previous question has already been ordered.

The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

The bill was passed.

A motion to reconsider was laid on the table.

COMMITTEE ON EDUCATION AND LABOR

Mr. HALLECK. Mr. Speaker, I offer a resolution, House Resolution 216, and ask for its immediate consideration.

The Clerk read as follows:

Resolved, That during the remainder of the 83d Congress the Committee on Education and Labor shall be composed of 28 members.

The SPEAKER. The question is on the resolution.

The resolution was agreed to.

A motion to reconsider was laid on the table.

HOOR OF MEETING TOMORROW

Mr. HALLECK. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet at 11 o'clock tomorrow.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

DISPOSAL OF LOUISIANA, MO., SYNTHETIC FUEL PLANT

The SPEAKER. Under previous order of the House, the gentleman from Illinois [Mr. PRICE] is recognized for 5 minutes.

Mr. PRICE. Mr. Speaker, I take the time of my colleagues in the House this afternoon to sound an alarm—an alarm over the start of a pattern of giving away the vital resources of the Nation.

Plans for the disposal of the coal-to-oil demonstration plant at Louisiana, Mo., and the legislation now under consideration in the other body—and which has already passed the House—to give the States clear title to the tidelands should be warning enough for the Congress to be on guard against the new Republican administration's inclination to give control of important natural resources to private exploiters.

I think there is ample justification for my fear in the light of a recent statement by Secretary of the Interior McKay at a meeting of the American Society of Newspaper Editors last week. The Secretary of the Interior said he is of the opinion that the Federal Government is holding on to too much public land and ought to give some of it, on a selective basis, to the States and private industry, but he would have the Government retain the western rangeland. I am afraid the States and private industry will select what is valuable and Uncle Sam will select what is left over.

In the case of the plant at Louisiana, Mo., what Secretary McKay seems to forget is that this plant is more than an experiment. It is a vital part of our national defense picture. After an expenditure of \$75 million or so it comes to the point of being successful and what does Secretary McKay do—he throws it out the window, apparently without thinking of the consequences.

As time goes on the daily need for liquid fuel will become greater and greater and the disparity between the need and American domestic production greater also.

The coal industry and coal miners will suffer from the closing of the Louisiana, Mo., hydrogenation plant. The action should be of special significance to those interested in coal, because even conservative forecasts indicate discovery production, and consumption of oil and gas are at such a pace as to make mandatory the production of these fuels from coal in the next decade.

So I sound the alarm. Let us safeguard our vital resources. Let us resist the pattern of the new administration of giving away our Nation's assets. In this pattern I place the administration's proposal to sell the half-billion-dollar synthetic rubber industry; the tidelands oil legislation; an expected move by private industry to obtain naval oil deposits in Alaska, and various proposals to let private enterprise take control of natural resources, hydroelectric projects, and portions of the public domain.

The closing of the Missouri plant is the first victory of the oil lobby under the new administration. It is the big payoff.

It is no use calling this a steal; it is a giveaway, just like bank night.

(Mr. PRICE asked and was given permission to revise and extend his remarks.)

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. KNOX (at the request of Mr. ARENDS), for the day, on account of illness.

Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

Issued May 13, 1953

For actions of May 11-12, 1953

83rd-1st, Nos. 85
and 86

OFFICE OF BUDGET AND FINANCE
(For Department Staff Only)

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HIGHLIGHTS: Senate committees reported: 1st independent offices appropriation, farm bankruptcy, Extension Service consolidation, and Mexican farm-labor bills. Sens. Kerr, Morse and others criticized USDA for increased interest rates on price-support loans, falling farm prices, etc. Senate debated temporary economic-controls bill. Senate committee adopted motion to include Alaska in Hawaii statehood bill. House took final congressional action on export-insurance bill.

HOUSE - May 11

1. RESEARCH. The Interstate and Foreign Commerce Committee reported with amendment H.R. 4689, to Amend the National Science Foundation Act of 1950 (H. Rept. 374) (p. 4906).
2. EXPORT INSURANCE. Concurred in Senate amendment on H.R. 4464, to amend the Export-Import Bank Act to insure exported cotton and other products against war risk. This bill will now be sent to the President. (p. 4906).
3. CHEESE. Rep. Harrison spoke on the swiss cheese produced in Wyoming (p. 4907).
4. FOREIGN TRADE. Rep. Eberharter spoke against the Simpson bill, H.R. 4294, to extend the reciprocal trade agreements authority, stating that "it seeks to insure a complete abandonment of our reciprocal trade agreements program as we have known it" (pp. 4909-11).
5. FARM CREDIT. Rep. Patman urged the support of Government bonds at par, and inserted a Senate Resolution on this subject discussing the danger of increased interest rates to the farm program (p. 4908-09).
6. FLOOD CONTROL. Received a Kansas Food Dealers Association petition urging the building of ample flood protection (p. 4914).

HOUSE - May 12

7. FOREIGN AFFAIRS. Received the Foreign Affairs Committee report of the Special Study Mission to Pakistan, India, Thailand and Indochina (H. Rept. 412) (p. 4988).
8. SUBMERGED LANDS. The Judiciary Committee reported without amendment H.R. 5134, to amend the Submerged Lands Act (H. Rept. 413). The House Rules Committee reported a rule for 2 hours of debate on this bill, and one providing for House agreement to Senate amendments to H.R. 4198, the submerged lands bill (p. 4988).
9. DEFENSE PRODUCTION. The Banking and Currency Committee announced tentatively that hearings would begin on Wed., May 20, on the extension of the Defense Production Act (p. D397).

SENATE - May 12

10. APPROPRIATIONS. The Appropriations Committee reported with amendments H.R. 4663; 1st independent offices appropriations bill, 1954 (S. Rept. 237) (p. 4918). Sen. Taft said, "I think I can assure the Senator Saltonstall that the appropriation bill can be handled on Thursday" (p. 4919).
The Rules and Administration Committee reported with amendment S. Con. Res. 8, providing for a consolidated general appropriation bill (S. Rept. 267). Sen. Hayden was granted permission to file individual views on this measure (p. 4919).
11. EXTENSION SERVICE. The Agriculture and Forestry Committee reported without amendment S. 1679, to consolidate Extension Service authorizations (S. Rept. 266) (p. 4919).
12. FARM LABOR. The Agriculture and Forestry Committee reported with amendments H.R. 3480, to extend for 3 years the availability of Mexican farm labor (S. Rept. 264) (p. 4919).
13. FARM BANKRUPTCY. The Judiciary Committee reported with amendments S. 25, to amend the Bankruptcy Act so as to provide for farmer-debtor relief (S. Rept. 265) (p. 4919).
14. FLOOD CONTROL. The Public Works Committee reported with amendments S. 261, granting consent and approval of Congress to the Connecticut River Flood Control Compact (S. Rept. 236) (p. 4918).
15. FLAG. The Judiciary Committee reported with amendments S. 694, to prohibit the display of flags of international organizations or other nations in equal or superior prominence or honor to the U. S. flag, except under specified circumstances (S. Rept. 258) (p. 4918).
16. STATEHOOD. The Interior and Insular Affairs Committee adopted by an 8 to 7 vote, an Anderson amendment to H. R. 3575, incorporating S. 50, granting statehood to Alaska, into the Hawaii statehood bill (p. D394-5).
17. ECONOMIC CONTROLS. Began debate on S. 1081, providing for temporary economic controls (pp. 4922-56).
18. INTEREST RATES; FARM PRICES. Sens. Kerr, Morse and others criticized USDA for increasing interest rates on price-support loans, and falling farm prices, and the Export-Import Bank for increasing interest rates on export commodity loans (pp. 4956-64).

FIRST INDEPENDENT OFFICES APPROPRIATION BILL,
1954

MAY 12, 1953.—Ordered to be printed

Mr. SALTONSTALL, from the Committee on Appropriations, submitted
the following

REPORT

[To accompany H. R. 4663]

The Committee on Appropriations, to whom was referred the bill (H. R. 4663) making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1954, and for other purposes, report the same to the Senate with various amendments and present herewith information relative to the changes made.

Amount of bill as passed House.....	\$451, 020, 493
Amount of increase by Senate (net).....	6, 392, 386
Amount of bill as reported to Senate.....	457, 412, 879
Amount of appropriations, 1953.....	993, 536, 843
Amount of regular and supplemental estimates, 1954..	1, 172, 444, 190

The bill as reported to the Senate:

Under the estimates for 1954.....	715, 031, 311
Under the appropriations for 1953.....	536, 123, 964

SUMMARY

The bill as it passed the House provided for a total appropriation of \$451,020,493. This was a reduction of \$721,423,697 from the estimates considered by the House, including \$6,000,000 in House Document No. 62 for the buildings management fund of General Services, of \$1,172,444,190.

The Senate recommends increases totaling \$16,718,766 and reductions of \$10,326,380, for a net increase over the House of \$6,392,386.

The bill as reported to the Senate provides for a total appropriation of \$457,412,879, or a reduction of \$715,031,311 from the estimates of \$1,172,444,190.

Administrative expense limitations are also provided in the bill for the corporations under the Housing and Home Finance Agency. The Senate recommends a total of \$24,695,000, which is \$6,735,160 over the House allowance and is \$3,415,000 under the estimates.

Deferred until a second bill are budget estimates totaling \$6,455,758,664 for the Atomic Energy Commission, Selective Service System, Tennessee Valley Authority, and Veterans' Administration.

LIMITATIONS ON TRAVEL FUNDS

The estimates for travel funds in the bill, including the corporation authorizations, amount to \$5,988,344. The House has inserted limitations in the bill on the amounts available for expenses of travel for all purposes, including the corporations, amounting to a total of \$4,039,890. The committee recommends increasing these limitations to a total amount of \$5,238,796, and deleting the limitation for the Home Loan Bank Board.

The following tabulation shows the 1953 allowance, the estimate for 1954, the House limitation and the Senate recommendation:

	1953	Estimate, 1954	House limitation, 1954	Senate recommen- dation
Executive Office of the President: Bureau of the Budget.....	\$56,400	\$72,000	\$70,000	\$70,000
American Battle Monuments Commission:				
Salaries and expenses.....	11,587	12,000	8,000	12,000
Construction of memorials and cemeteries.....	39,288	41,276	27,520	41,276
Civil Service Commission.....	479,250	575,000	383,335	570,000
Federal Communications Commission.....	88,000	110,000	73,335	90,000
Federal Power Commission.....	204,000	260,000	173,335	240,000
Federal Trade Commission.....	163,035	295,835	163,035	196,435
General Services Administration:				
Public Buildings Service.....	177,335	241,800	161,200	208,300
Emergency operating expenses.....	24,300	34,300	22,865	30,000
Repair, improvement, and equipment.....	112,050	200,000	133,400	160,000
Remodeling post office, Chicago.....		1,200	800	1,200
Federal Supply Service.....	77,600	119,800	79,865	81,000
Expenses, general supply fund.....	133,900	211,300	140,700	174,200
National Archives and Records Service.....	23,340	36,900	24,600	36,900
Administrative operations.....	97,385	132,900	88,600	98,200
Strategic and critical materials.....	160,425	214,550	143,000	209,550
Housing and Home Finance Agency:				
Administrator.....	237,500	263,700	175,800	211,300
Corporations (administrative expenses):				
Federal National Mortgage Association.....	116,650	143,620	95,750	120,600
Housing loan programs.....	6,500	39,500	26,330	27,600
Home Loan Bank Board.....	22,500	30,000	20,000	
Federal Savings and Loan Insurance Corpora- tion.....	4,150	6,500	4,370	6,500
Federal Housing Administration.....	140,000	196,500	131,000	184,500
Public Housing Administration.....	785,500	1,028,000	685,300	916,000
Indian Claims Commission.....	1,100	4,270	2,845	4,270
Interstate Commerce Commission:				
General expenses.....	230,650	318,969	212,645	290,650
Railroad safety.....	163,050	198,550	163,050	163,050
Locomotive inspection.....	112,620	143,120	112,620	112,620
National Advisory Committee, Aeronautics.....	327,000	325,000	216,700	325,000
National Capital Planning Commission: Salaries and expenses.....	4,260	8,359	4,260	7,000
National Science Foundation.....	118,750	117,000	78,000	101,000
Renegotiation Board.....	175,000	358,000	238,700	305,600
Securities and Exchange Commission.....	101,250	156,250	104,170	150,000
Smithsonian Institution.....	10,225	10,225	6,825	10,225
National Gallery of Art.....	1,800	2,400	1,600	1,800
Subversive Activities Control Board.....	5,500	15,000	10,000	15,000
Tariff Commission.....	13,500	17,000	11,335	14,500
Tax Court of the United States.....	30,100	40,000	40,000	45,000
War Claims Commission.....	13,250	7,520	5,000	7,520
Total, travel limitations.....	4,468,750	5,988,344	4,039,890	5,238,796

INCREASES AND LIMITATIONS

The changes recommended by the committee in the amounts of the House bill are as follows:

CIVIL SERVICE COMMISSION:

Salaries and expenses ----- \$935, 677

The increase recommended by the committee is to provide a total of \$17,000,000, which is \$3,300,000 below the budget estimate. In this amount is \$25,000 for transferring the Federal Personnel Council to the Office of the Executive Director, as provided by the House in abolishing the Council as a separate entity.

The committee believes the increase recommended is fully justified, since the committee was advised that the Commission needed additional funds to properly administer such programs as postmaster examinations, filling of regular vacancies in the postal service through permanent appointments, displaced career employee placements, investigations of nonadherence to qualifications standards, better coverage of the audit of classification actions and evaluation of the personnel actions taken by the various agencies of the Government.

Payment to the civil-service retirement and disability fund:

The committee was advised that the new Chairman of the Commission was agreeable to a deferment of appropriations to the retirement fund in view of the study now being made of the overall retirement program of the Government, since there is sufficient in the fund to pay the normal cost of disbursements from the fund in 1954. In agreeing with the House action in eliminating payments to the fund for normal cost and for interest, the committee points out that such elimination is merely a deferral of payment until the proper amount may be determined. The results of the overall study of retirement programs are expected by the end of the present calendar year.

In this connection, the amount in the bill for increased annuities under Public Law 555 of July 16, 1952, of \$31,397,000 is sufficient to pay such annuities for 1954. The balance of the estimate of \$58,987,000, or \$27,590,000, was intended to pay to the fund the amount used for 1953, and is also deferred until the proper amount of payments to the fund may be determined.

FEDERAL COMMUNICATIONS COMMISSION:

In agreeing to the amount of \$7,100,000 provided by the House, the committee does not agree with allocating lesser amounts to other functions of the Commission in order to provide increased amounts for TV broadcast and for safety and special radio services, and earmarking such funds in the bill.

The amount provided is for the following:

Personal services:

Common carrier.....	\$758, 351
Applied technical research and frequency allocation.....	360, 000
Field engineering and monitoring.....	2, 002, 349
Safety and special radio services.....	596, 000
TV broadcast.....	718, 496
Other broadcast.....	776, 504
Executive, staff, and service.....	1, 210, 000
Other objects, less reimbursements.....	678, 300

Total amount provided ----- 7, 100, 000

INCREASES AND LIMITATIONS—Continued

FEDERAL COMMUNICATIONS COMMISSION—Continued

For television broadcast, the amount of \$718,496 would provide personal services for 17 teams, each consisting of a hearing examiner, an attorney, an engineer, an accountant, a secretary, a stenographer, and a clerk, which would be an increase of 7 teams over those for 1953.

In this connection, the committee is of the opinion that the additional teams that may be provided should not create a large permanent staff on such work in the Commission, and accordingly directs that, so far as practicable, recruitments of additional personnel be on a temporary basis of employment.

The committee is advised that the 17 TV teams provided under normal allocation of the \$7,100,000 can process the applications as fast as the procedures of the Commission will allow the cases to be decided. It is not the intention of the committee, however, to delay the TV allocations in any manner, and if the Commission can adjust procedures or in any other way demonstrate their ability to process the applications to a decision in shorter time, the committee is agreeable to the consideration of an additional amount in a supplemental bill.

Accordingly, the committee recommends that the following proviso be stricken from the bill:

, of which not less than \$935,000 shall be available for personal services necessary for application processing and hearing in connection with the issuance and renewal of television licenses, and not less than \$809,271 shall be available for personal services necessary for application processing and hearings in connection with the issuance of licenses in the safety and special radio services

The committee also recommends that the limitation on the amount for lands and structures be increased from \$3,000 to \$13,000.

The committee also recommends that the following be added to the bill:

purchase of not to exceed sixteen passenger motor vehicles, for replacement only,

GENERAL SERVICES ADMINISTRATION:

Public Buildings Service, operating expenses----- \$5, 923, 930

The increase recommended by the committee will provide a total of \$104,750,000, which is \$16,250,000 less than the budget estimate of \$121,000,000.

The committee is advised that \$3,394,450 of the increase over 1953 is for space previously reimbursed for management from funds appropriated to other agencies, which funds have been deducted from the 1954 estimates for such other agencies. The committee is also advised that \$1,120,000 of the increase over 1953 is for costs due to advances in rental and utility rates. These are the main items intended to be provided for by the amount restored.

In this connection, the committee agrees with the statement in the House report that the Government will not only obtain more economical, but better service by retaining competitively independent architects for the design and construction of all public buildings, with only a minimum supervisory architectural staff to be maintained in the buildings design and supervision service.

INCREASES AND LIMITATIONS—Continued

GENERAL SERVICES ADMINISTRATION—Continued

Administrative operations-----	\$59, 250
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The increase recommended by the committee is to provide a total of \$4,200,000, which is \$1,100,000 below the budget estimate.

The committee is advised that the Federal Government is completely without an inventory of its real property holdings, that each agency usually keeps track only of its own acquisitions and knows nothing of suitable acquisitions that may already be available in other agencies of the Government. Properly prepared and kept current, such an inventory could be of real value in effecting economies in acquisitions where land or space may be available from other agencies, and could be helpful in many other ways in the complex operations of the Federal Government.

Therefore, within the funds available to them, the committee requests the General Services Administration to begin the work of compiling such an inventory of Federal real estate and requests the General Accounting Office to work out and put into operation the necessary accounting and reporting procedures to keep such inventory current.

Strategic and critical materials:

The committee is advised that, due to diversion to industry of materials contracted for from stockpile funds, price decreases, short deliveries, and changes in authorized purchase programs and objectives, the unobligated balance in April of \$459 million would allow an amount of \$376 million to be available on June 30, 1953. In view of these conditions, the committee agrees with the House in providing no funds in the bill for 1954, and also providing for contract obligations from the unexpended balance.

Typewriter purchase limitation:

The committee recommends that the words "State governments" be deleted from the definition of most favored customer on which the 90 percent limitation as to price is based for the purchase of typewriters by Government agencies. The committee is advised that the inclusion of such words would give to State governments a greater advantage in price than is enjoyed by the Federal Government, because of the payment of excise taxes.

Total increases, General Services Administration-----	5, 983, 180
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HOUSING AND HOME FINANCE AGENCY:

Office of the Administrator-----	742, 900
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The increase recommended by the committee is to provide a total of \$3,330,000, which is \$1,200,000 below the budget estimate of \$4,550,000. The amount provided is for the following:

Agencywide program coordination and supervision-----	\$929, 000
Slum clearance and urban redevelopment-----	1, 985, 000
Housing research-----	0
Liquidation of public works advance planning-----	195, 000
Programing of defense housing and community facilities-----	221, 000

Total amount provided-----	3, 330, 000
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INCREASES AND LIMITATIONS—Continued

HOUSING AND HOME FINANCE AGENCY—Continued

The committee also recommends that the following provisos be stricken from the bill:

: *Provided further*, That not to exceed \$40,000 of this appropriation shall be available for a reorganization survey of the Housing and Home Finance Agency in cooperation with the President's Advisory Committee on Government Organization

: *Provided further*, That the Administrator's general supervision and coordination responsibilities under Reorganization Plan Numbered 3 of 1947 shall carry full authority to assign and reassign functions, to reorganize and to make whatever changes, including the reallocation and transfer of administrative expense funds and authority where applicable, necessary to promote economy and efficiency in the operations of the Housing and Home Finance Agency

: *Provided further*, That the Administrator shall not expend more than \$21,000,000 during the fiscal year 1954 on loans to educational institutions not committed as of June 30, 1953

Defense Community Facilities and Services:

The committee recommends that the limitation on the amount available from unobligated balances for administrative expenses in connection with construction of facilities be increased from \$112,500 to \$115,000.

Capital grants for slum clearance and urban redevelopment:

The committee recommends that the following provisos be stricken from the bill:

: *Provided*, That before approving any local slum clearance program under title I of the Housing Act of 1949, the Administrator shall give consideration to the efforts of the locality to enforce local codes and regulations relating to adequate standards of health, sanitation, and safety for dwellings and to the feasibility of achieving slum clearance objectives through rehabilitation of existing dwellings and areas

: *Provided further*, That the authority under title I of the National Housing Act shall be used to the utmost in connection with slum rehabilitation needs

: *Provided further*, That section 110, subsection (e) of the Housing Act of 1949 is hereby amended to read: "Gross project cost" shall comprise (1) the amount of the expenditures by the local public agency with respect to any and all undertakings necessary to carry out the project (including the payment of carrying charges, but not beyond the point where the project is completed, and excluding expenditures for parks, playgrounds, public buildings, or similar facilities), and (2) the amount of such local grants-in-aid as are described in clause (2) of section 110 (d) hereof

PUBLIC HOUSING ADMINISTRATION:

Administrative expenses.....	\$4, 052, 000
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The increase recommended by the committee is to provide a total amount of \$9,000,000, which is \$2,300,000 below the budget estimate of \$11,300,000. The increase is in line with the restoration of the authorization for commencement of housing units, although not in relation to the number of such units authorized.

INCREASES AND LIMITATIONS—Continued

PUBLIC HOUSING ADMINISTRATION—Continued

Annual contributions:

In agreeing to the House amount of \$32,500,000 for contract payments, which is \$7,200,000 below the budget estimate, the committee also agrees that additional funds for such contract payments will be provided if, at a later date, the need for them can be justified.

The committee recommends that the following proviso be stricken from the bill:

: *Provided further, That no housing shall be authorized by the Public Housing Administration, or, if under construction, continue to be constructed, in any community where the people of that community, by their duly elected representatives, or by referendum, or by any other legal method, have indicated they do not want it, and such community shall negotiate with the Federal Government the repayment to the Government, only such money expended prior to the vote or other formal action whereby the community rejected such housing projects*

and that the following be inserted in lieu thereof:

: *Provided further, That, in any case where the Public Housing Administration (after the approvals on the part of the governing body of the community required by law) has entered into a financial assistance contract with a local housing authority covering a low-rent housing project to be constructed in such community and the people of that community, by vote of their duly elected representatives, or by referendum, have thereafter indicated that they do not want such low-rent housing project constructed, then, in such case the Public Housing Administration, for a period (which shall not again be granted in connection with such low-rent housing project) of 180 days after the date of such vote or referendum, or the effective date of this Act, whichever is the later date, or such longer period as the Housing and Home Finance Administrator, in his discretion, may grant, shall not (unless requested by the governing body of the locality to do so) authorize the award of any contract for the construction of such low-rent housing project, or advance any further funds for such low-rent housing project, and, during such period, the local community shall negotiate with the Public Housing Administration for the liquidation of such financial assistance contract and, if during such period the local community enters into a valid and binding contract with the Public Housing Administration for the repayment to it by the community of a stated amount representing moneys advanced or guaranteed by it under such financial assistance contract, and for the payment of any additional sums which the local housing authority or the Public Housing Administration would be obligated or liable to pay to secure releases from obligations theretofore incurred under such financial assistance contract, the Public Housing Administration shall cancel its financial assistance contract in respect to such low-rent housing project*

The committee also recommends that the following proviso be stricken from the bill:

: *Provided further, That the limitation in clause (2) of the third proviso under this head in title I of the*

INCREASES AND LIMITATIONS—Continued

PUBLIC HOUSING ADMINISTRATION—Continued

Independent Offices Appropriation Act, 1953, is amended to read as follows: "(2) after the date of approval of this Act, enter into any agreement, contract, or other arrangement which will bind the Public Housing Administration with respect to loans, annual contributions, or authorizations for commencement of construction, for any dwelling units or projects"

and that the following be inserted in lieu thereof:

: Provided further, That notwithstanding the provisions of the United States Housing Act of 1937, as amended, the Public Housing Administration shall not, with respect to projects initiated after March 1, 1949, (1) authorize during the fiscal year 1954 the commencement of construction of in excess of thirty-five thousand dwelling units or (2) after the date of approval of this Act, enter into any agreement, contract, or other arrangement which will bind the Public Housing Administration with respect to loans, annual contributions, or authorizations for commencement of construction, for dwelling units aggregating in excess of thirty-five thousand to be authorized for commencement of construction during any one fiscal year subsequent to the fiscal year 1954, unless a greater number of units is hereafter authorized by the Congress

The committee is of the opinion that the low-rent housing program should be carefully examined by the present administration in order to determine its recommendations in connection therewith for fiscal year 1935.

Total increases, Housing and Home
Finance Agency-----

\$4, 794, 900

INDIAN CLAIMS COMMISSION-----

6, 000

The increase recommended by the committee is to provide a total of \$117,020, which is \$22,980 below the budget estimate of \$140,000.

INTERSTATE COMMERCE COMMISSION:

General expenses-----

198, 824

The increase recommended by the committee is to provide a total of \$9,665,000, which is \$735,000 below the budget estimate of \$10,400,000.

The committee disagrees with the House recommendation for discontinuance of the safety and field work of the Bureau of Motor Carriers, with denial of funds amounting to \$1,793,157 for such work and allocating that amount to other work of the Commission. The committee is advised that the upward trend of fatalities and injuries on the highways of the Nation requires more, instead of less, activity on the part of this Bureau in the formulation of regulations for the safe transportation of explosives and other dangerous articles and regulations governing qualifications and maximum hours of service of drivers, as well as safety of operation and standards of equipment on motor vehicles.

The committee believes that better organization and resulting economies can be effected in the work of the Commission through adoption of many of the recommendations of the report of the Wolf Management Engineering Co. submitted last December, and to this end

INCREASES AND LIMITATIONS—Continued

INTERSTATE COMMERCE COMMISSION—Continued

directs the appointment of a managing director and the delegation to him of the management functions of the several commissioners.

The committee also recommends that the following be added to the bill:

purchase of not to exceed nine passenger motor vehicles, for replacement only,

NATIONAL CAPITAL PLANNING COMMISSION:

Salaries and expenses-----	\$57, 085
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The increase recommended by the committee is to provide a total of \$155,000, which is \$20,000 below the budget estimate of \$175,000. This increase is in line with the restoration of funds for acquisition.

Land acquisition, National Capital park, parkway, and playground system-----	365, 000
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The increase recommended by the committee is to provide that amount for acquisition of land, for which the House allowed nothing. The amount provided is \$885,000 below the budget estimate of \$1,250,000.

The funds are provided to implement the Capper-Cramton Act; \$100,000 is for acquisition of land in Fairfax County, Va., to extend the George Washington Memorial Highway; and \$265,000 is for acquisition of three parcels of land in Montgomery County, Md., totaling 439 acres and three parcels of land in Prince Georges County, Md., totaling 1,008 acres.

The committee recommends that the following be stricken from the bill:

of unexpended funds available for land acquisition purposes a total of not exceeding \$19,680 may be used during the current fiscal year for necessary expenses of the Commission (other than payments for land) in connection with land acquisition

and that the following be inserted in lieu thereof:

For necessary expenses for the National Capital Planning Commission in connection with the acquisition of land for the park, parkway, and playground system of the National Capital, as authorized by the Act of May 29, 1930 (46 Stat. 482), as amended, \$365,000, to remain available until expended, \$100,000 of said sum to be used for carrying out the provisions of section 1 (a) of said Act and \$265,000 for carrying out the provisions of section 1 (b) of said Act: Provided, That not exceeding \$24,940 of the funds available for land acquisition purposes shall be used during the current fiscal year for necessary expenses of the Commission (other than payments for land) in connection with land acquisition.

Total increase, National Capital Plan- ning Commission-----	422, 085
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INCREASES AND LIMITATIONS—Continued

NATIONAL SCIENCE FOUNDATION..... \$4, 275, 600

The increase recommended by the committee is to provide a total of \$10,000,000, which is \$5,000,000 below the budget estimate.

The amount provided is for the following:

Research policy development, and services:	
Development of national science policy.....	\$500, 000
Dissemination of scientific information.....	175, 000
Maintenance of information on scientific personnel.....	125, 000
Research support:	
Biological and medical sciences.....	3, 092, 000
Mathematical, physical and engineering sciences.....	3, 092, 000
Training of scientific manpower:	
Graduate fellowships.....	1, 866, 000
Research education in the sciences.....	100, 000
Operating costs.....	1, 050, 000
Total amount provided.....	10, 000, 000

RENEGOTIATION BOARD:

In agreeing with the amount allowed by the House of \$5,192,800, which is \$3,307,200 below the budget estimate, the committee desires to commend the Board for its activity and efficiency of operation. The committee believes that if the funds provided for this first full-scale year of operation do not prove sufficient, they should request and justify additional funds when required.

SMITHSONIAN INSTITUTION..... 102, 500

The increase recommended by the committee is to provide a total of \$3,000,000, which is \$525,000 below the budget estimate of \$3,525,000.

The amount provided is for the following:

Management.....	\$61, 787
U. S. National Museum.....	1, 127, 063
Bureau of American Ethnology.....	59, 120
Astrophysical Observatory.....	113, 942
National Collection of Fine Arts.....	42, 715
National Air Museum.....	146, 107
Canal Zone biological area.....	7, 000
International Exchange Service.....	91, 316
Maintenance and operation of buildings.....	1, 054, 841
Other general services.....	296, 109
Total amount provided.....	3, 000, 000

WAR CLAIMS COMMISSION:

The committee recommends that the limitation on the amount to be derived from the war claims fund for administrative expenses be increased from \$750,000 to \$850,000, which is \$50,000 below the budget estimate of \$900,000.

TITLE II—CORPORATIONS

HOUSING AND HOME FINANCE AGENCY:

Federal National Mortgage Association:

The committee recommends that the limitation on the amount available for administrative expenses be increased from \$2,300,000 to \$4,200,000, which is \$400,000 below the budget estimate of \$4,600,000.

Office of the Administrator (housing loan programs):

The committee recommends that the limitation on the amount available for administrative expenses be increased from \$411,250 to \$640,000, which is \$140,000 below the budget estimate. The restoration is to provide the budget estimate of \$450,000 for loans to educational institutions, and to provide a total of \$126,250 for loans for prefabricated housing.

Expenses, liquidation of Home Owners' Loan Corporation:

The committee agrees with the House allowance of \$10,000 of unobligated funds for expenses of such liquidation, and requests the Agency to endeavor to fully consummate the liquidation by October 31, 1953, the date for which the funds are made available, without recourse to the Home Loan Bank Board for further liquidation.

Federal Housing Administration:

The committee recommends that the limitation on the amount available for administrative expenses be increased from \$5,045,590 to \$5,600,000, which is \$300,000 below the budget estimate of \$5,900,000.

The committee also recommends that the amount of the limitation for the purchase of periodicals and newspapers be increased from \$500 to \$1,500.

The committee also recommends that the limitation on the amount of nonadministrative expenses be reduced from \$27,500,000 to \$25,000,000. The reduction is to be applied to expenses of field offices.

The committee also recommends that the following be stricken from the bill:

: *Provided further*, That the position of Assistant Commissioner, established pursuant to section 213 (f) of the National Housing Act, as amended, is no longer authorized

Public Housing Administration:

The committee recommends that the limitation on the amount available for administrative expenses be increased from \$8,973,000 to \$13,025,000, which is \$2,575,000 below the budget estimate of \$15,600,000. The amount provided includes the appropriation of \$9,000,000 and authorization to use receipts of \$4,025,000.

The committee also recommends that the following be stricken from the bill:

: *Provided further*, That during the fiscal year 1954 the Commissioner shall make every effort to refund all local bonds held by the Public Housing Administration under the United States Housing Act of 1937, as amended

Total increases.....	<u>\$16, 718, 766</u>
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DECREASES

EXECUTIVE OFFICE OF THE PRESIDENT:

Emergency Fund for the President (national defense)----- \$200, 000

The decrease recommended by the committee will provide a total appropriation of \$300,000. The committee is advised that the unobligated balance, which is reappropriated in the bill, will amount to about \$400,000. So that about \$700,000 will be available in the fund, which is \$300,000 below the budget estimate of \$1,000,000.

AMERICAN BATTLE MONUMENTS COMMISSION:

Construction of memorials and cemeteries----- 5, 000, 000

The committee was advised that the Commission will receive by July 1 \$1,000,000 remaining of the foreign currencies or credits authorized for 1953. The committee recommends that \$4,000,000 be provided in 1954 from foreign currencies or credits.

Accordingly, the committee recommends a reduction of \$5,000,000 in the appropriation for 1954, to provide a total of \$4,500,000.

The committee also recommends that the following be added to the bill:

and, in addition, the Commission is authorized to utilize for carrying out the purposes of this appropriation, without dollar reimbursement from this or any other appropriation, foreign currencies or credits owed to or owned by the Treasury of the United States in an amount not exceeding \$4,000,000, and the Secretary of the Treasury is directed to make such foreign currencies or credits available to the Commission in the amount stated, to remain available until expended: Provided, That foreign currencies available to the credit of the Treasury shall be used to defray expenses incurred for this purpose wherever practicable

FEDERAL TRADE COMMISSION----- 125, 000

The decrease recommended by the committee will provide a total of \$4,053,800, which is \$1,446,200 below the budget estimate of \$5,500,000.

GENERAL SERVICES ADMINISTRATION:

Emergency operating expenses----- 2, 668, 250

The decrease recommended by the committee will provide \$20,000,000, which is \$8,180,000 below the budget estimate of \$28,180,000.

National Archives and Records Service, operating expenses----- 100, 000

The decrease recommended by the committee will provide a total of \$5,525,000, which is \$725,000 below the budget estimate of \$6,250,000.

The committee also recommends that the amount to remain available until expended for nitrate film conversion be reduced from \$200,000 to \$100,000.

NATIONAL ADVISORY COMMITTEE FOR AERONAUTICS:

Salaries and expenses-----	\$1, 988, 050
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The decrease recommended by the committee will provide a total of \$51,000,000, which is \$7,830,000 below the budget estimate of \$58,830,000.

The committee agrees with the recommendation in the House report that the agency should arrange to consult with the General Accounting Office, in furtherance of the report on expenditure analysis prepared by them, regarding suggested improvements with a view to making such necessary changes and improvements as will result in economies in their operations. The committee also is of the opinion that there is definite need for greater interrelation with the research operations of the Department of Defense. The committee believes that economies resulting from implementing these recommendations would result in substantial savings, so that the agency will have sufficient funds for their required operations within the amount provided.

Also, the committee requests the General Accounting Office to make a study of the operation of wind tunnels by various Government agencies, with a view to recommending a plan for centralized use of such huge facilities to the end that economies may be effected in the use of power as well as personnel.

SECURITIES AND EXCHANGE COMMISSION-----	245, 080
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The decrease recommended by the committee will provide a total of \$5,000,000, which is \$1,000,000 below the budget estimate of \$6,000,000.

Total decreases-----	10, 326, 380
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Total increases-----	16, 718, 766
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Less decreases-----	10, 326, 380
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Net increase-----	6, 392, 386
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Amount of bill as reported to the Senate-----	457, 412, 879
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REDUCTIONS IN APPROPRIATIONS

(Available from amounts heretofore appropriated)

GENERAL SERVICES ADMINISTRATION:

Construction of public buildings-----	\$160, 000
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Geophysical Institute, Alaska-----	49, 000
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Acquisition of additional land in the District of Columbia-----	1, 075, 000
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	\$1, 284, 000
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HOUSING AND HOME FINANCE AGENCY:

Defense housing-----	17, 500, 000
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Alaska housing-----	5, 000, 000
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Advance planning of non-Federal public works-----	4, 600, 000
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	27, 100, 000
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Total rescissions-----	28, 384, 000
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ADMINISTRATIVE EXPENSES OF GOVERNMENT CORPORATIONS

[Limitations on amounts of corporate funds to be expended]

Corporation or agency	Authoriza- tion, 1953	Budget esti- mates, 1954	Recommended in House bill for 1954	Amount recommended by Senate committee	Increase (+) or decrease (-), Senate bill compared with—		
					Authoriza- tions, 1953	Budget esti- mates, 1954	House bill
Housing and Home Finance Agency:							
Federal National Mortgage Association.....	1 \$4,189,500	\$4,600,000	\$2,300,000	\$4,200,000	+\$10,500	-\$400,000	+\$1,900,000
Housing loan programs.....	225,000	780,000	411,250	640,000	+415,000	-140,000	+228,750
Home Loan Bank Board.....	725,000	775,000	775,000	775,000	+50,000	-----	-----
Federal Savings and Loan Insurance Corporation.....	425,000	455,000	455,000	455,000	+30,000	-----	-----
Home Owners' Loan Corporation.....	(2)	(3)	(4)	(4)	-----	-----	-----
Federal Housing Administration.....	4,885,000	5,900,000	5,045,500	5,600,000	+715,000	-300,000	+554,410
Public Housing Administration.....	6 12,967,735	6 15,600,000	7 8,973,000	13,025,000	+57,265	-2,575,000	+4,052,000
Total.....	23,417,235	28,110,000	17,959,840	24,695,000	+1,277,765	-3,415,000	+6,735,160

1 Limitation on administrative expenses increased by \$60,000 in the Supplemental Appropriation Act, 1953.

2 \$75,000 continued available for nonadministrative expenses to carry out final liquidation.

3 Unobligated balance of prior year funds continued.

4 \$10,000 continued available until Oct. 31, 1953, to carry out final liquidation.

5 Limitation on administrative expenses increased by \$1,433,735 in the Supplemental Appropriation Act, 1953. Amount includes \$9,638,735 of appropriated funds, and \$3,329,000 of corporate funds.

6 Amount includes \$11,300,000 of appropriated funds, \$100,000 made available from funds for Defense Housing, and \$4,200,000 of corporate funds.

7 Amount includes \$4,948,000 of funds appropriated in title I, \$100,000 made available from funds for Defense Housing, and \$3,925,000 of corporate funds.

COMPARATIVE STATEMENT OF APPROPRIATIONS FOR 1953 AND ESTIMATES FOR 1954, PERMANENT AND INDEFINITE ANNUAL APPROPRIATIONS

Object	Appropriations, 1953	Estimates, 1954	Increase (+) or decrease (-)
Federal Power Commission: Payments to States under Federal Power Act.....	\$38,826	\$93,000	+\$54,174

COMPARATIVE STATEMENT OF APPROPRIATIONS FOR 1953, ESTIMATES FOR 1954, AND AMOUNTS RECOMMENDED IN THE BILL FOR 1954

Corporation or agency	Appropriations, 1953	Budget estimates, 1954	Recommended in House bill for 1954	Amount recommended by Senate committee	Increase (+) or decrease (—), Senate bill compared with—		
					Appropriations, 1953	Budget estimates, 1954	House bill
EXECUTIVE OFFICE OF THE PRESIDENT							
Compensation of the President.....	\$150,000	\$150,000	\$150,000	\$150,000			
The White House Office.....	1 1,957,643	1,994,790	1,800,000	1,800,000	—\$157,643	—\$104,790	
Emergency fund for the President (national defense).....	2 250,000	1,000,000	3 500,000	3 300,000	+50,000	—700,000	—200,000
Executive Mansion and grounds.....	341,200	367,200	356,184	356,184	+14,984	—11,016	
Bureau of the Budget.....	3,461,200	3,700,000	3,412,000	3,412,000	—49,200	—288,000	
Council of Economic Advisers.....	4 225,000	300,000			—225,000	—300,000	
Total, Executive Office of the President.....	6,385,043	7,421,990	6,218,184	6,018,184	—366,859	—1,403,806	—200,000

1 Includes \$50,000 contained in the Second Supplemental Appropriation Act, 1953.

2 \$100,000 of prior year appropriations continued available in the Independent Offices Appropriation Act, 1953, and the appropriation of \$250,000 is contained in the Second Supplemental Appropriation Act, 1953.

3 And unobligated balance in fund on June 30, 1953, is continued available.

4 To remain available until Mar. 31, 1953.

Comparative statement of appropriations for 1953, estimates for 1954, and amounts recommended in the bill for 1954—Con.

Corporation or agency	Appropriations, 1953	Budget estimates, 1954	Recommended in House bill for 1954	Amount recommended by Senate committee	Increase (+) or decrease (—), Senate bill compared with—		
					Appropriations, 1953	Budget estimates, 1954	House bill
INDEPENDENT OFFICES							
AMERICAN BATTLE MONUMENTS COMMISSION							
Salaries and expenses.....	\$ 719, 550	\$780, 000	\$750, 000	\$750, 000	+ \$30, 450	—\$30, 000	
Construction of memorials and cemeteries.....	6 5, 000, 000	9, 500, 000	9, 500, 000	4, 500, 000	— 500, 000	— 5, 000, 000	—\$5, 000, 000
Dedication of World War II memorials.....	7 30, 000				— 30, 000		
Total, American Battle Monuments Commission.....	5, 749, 550	10, 280, 000	10, 250, 000	5, 250, 000	—499, 550	— 5, 030, 000	— 5, 000, 000
CIVIL SERVICE COMMISSION							
Salaries and expenses.....	18, 703, 350	20, 300, 000	16, 064, 323	17, 000, 000	—1, 703, 350	— 3, 300, 000	+935, 677
Annuities, Panama Canal construction employees and Light-house Service widows.....	2, 707, 000	2, 600, 000	2, 500, 000	2, 500, 000	— 207, 000	—100, 000	
Payment to civil-service retirement and disability fund (normal cost).....	321, 450, 000	176, 139, 000			—321, 450, 000	—176, 139, 000	
Payment to civil-service retirement and disability fund (interest).....		\$ 192, 015, 000				—192, 015, 000	
Payment to civil-service retirement and disability fund for increase in annuities.....		58, 987, 000	31, 397, 000	31, 397, 000	+31, 397, 000	—27, 590, 000	
Total, Civil Service Commission.....	342, 860, 350	450, 041, 000	49, 961, 323	50, 897, 000	—291, 963, 350	—399, 144, 000	+935, 677
FEDERAL COMMUNICATIONS COMMISSION							
	6, 408, 460	8, 000, 000	7, 100, 000	7, 100, 000	+691, 540	—900, 000	
FEDERAL POWER COMMISSION							
	4, 085, 700	4, 570, 000	4, 300, 000	4, 300, 000	+214, 300	—270, 000	
FEDERAL TRADE COMMISSION							
	\$ 4, 178, 800	5, 500, 000	4, 178, 800	4, 053, 800	—125, 000	—1, 446, 200	—125, 000
GENERAL ACCOUNTING OFFICE							
	32, 060, 000	32, 000, 000	31, 981, 000	31, 981, 000	—79, 000	—19, 000	

GENERAL SERVICES ADMINISTRATION							
Operating expenses, Public Buildings Service	101,046,030	121,000,000	98,826,070	104,750,000	+3,703,970	-16,250,000	+5,923,930
Emergency operating expenses	22,698,250	28,180,000	22,698,250	20,000,000	-2,698,250	-8,180,000	-2,698,250
Repair, improvement, and equipment of federally owned buildings outside the District of Columbia		25,000,000	18,000,000	18,000,000	+18,000,000	-7,000,000	
Renovation and improvement of federally owned buildings outside the District of Columbia	4,750,000	(10)	(10)	(10)	-4,750,000		
Repair, preservation, and equipment, outside the District of Columbia	9,250,000	(10)	(10)	(10)	-9,250,000		
Buildings management fund		116,000,000	3,000,000	3,000,000	+3,000,000	-3,000,000	
Hospital facilities in the District of Columbia	1211,400,000				-11,400,000		
Hospital facilities in the District of Columbia (liquidation of contract authorization)		3,000,000				-3,000,000	
Remodeling the Congress Street Post Office, Chicago, Ill.		576,200	576,200	576,200	+576,200		
Operating expenses, Federal Supply Service	2,154,100	3,775,000	2,605,000	2,605,000	+450,900	-1,170,000	
Expenses, general supply fund	14,536,500	17,500,000	13,924,500	13,924,500	-612,000	-3,575,500	
Operating expenses, National Archives and Records Service	4,868,200	6,250,000	5,625,000	5,525,000	+656,800	-725,000	-100,000
Administrative operations	4,140,750	5,300,000	4,140,750	4,200,000	+59,250	-1,100,000	+59,250
Refunds under Renegotiation Act	9,300,000	9,000,000	9,000,000	9,000,000	-300,000		
Strategic and critical materials	133,979,000	188,000,000			-133,979,000	-188,000,000	
Strategic and critical materials (liquidation of contract authorization)	70,000,000	37,000,000			-70,000,000	-37,000,000	
Total, General Services Administration	388,092,830	450,581,200	178,365,770	181,580,700	-206,512,170	-269,000,500	+3,214,930

⁵ Includes \$319,550 in foreign credits.⁶ Includes \$4,500,000 in foreign credits.⁷ Contained in the Supplemental Appropriation Act, 1953.⁸ Included in the budget estimates as an indefinite appropriation.⁹ Includes \$125,000 contained in the Supplemental Appropriation Act, 1953.¹⁰ Consolidated in above appropriation.¹¹ Contained in H. Doc. No. 42.¹² Contained in the Supplemental Appropriation Act, 1953.

Comparative statement of appropriations for 1953, estimates for 1954, and amounts recommended in the bill for 1954—Con.

Corporation or agency	Appropriations, 1953	Budget estimates, 1954	Recommended in House bill for 1954	Amount recommended by Senate committee	Increase (+) or decrease (—), Senate bill compared with—		
					Appropriations, 1953	Budget estimates, 1954	House bill
INDEPENDENT OFFICES—Continued							
HOUSING AND HOME FINANCE AGENCY							
Office of the Administrator:							
Salaries and expenses.....	\$4,606,000	\$4,550,000	\$2,587,100	\$3,330,000	—\$1,276,000	—\$1,220,000	+\$742,900
Defense Community facilities and services.....	(13)	(14)	(13)	(14)			
Capital grants for slum clearance and urban redevelopment.....	12 8,000,000	20,000,000	20,000,000	20,000,000	+12,000,000		
Alaska Housing.....	12 4,000,000				—4,000,000		
Total, Office of the Administrator.....	16,606,000	24,550,000	22,587,100	23,330,000	+6,724,000	—1,220,000	+742,900
Public Housing Administration:							
Administrative expenses.....	8,000,000	11,300,000	4,948,000	9,000,000	+1,000,000	—2,300,000	+4,052,000
Annual contributions.....	29,880,000	39,700,000	32,500,000	32,500,000	+2,620,000	—7,200,000	
Defense Housing.....	15 50,000,000				—50,000,000		
Total, Public Housing Administration.....	87,880,000	51,000,000	37,448,000	41,500,000	—46,380,000	—9,500,000	+4,052,000
Total, Housing and Home Finance Agency.....	104,486,000	75,550,000	60,035,100	64,830,000	—39,656,000	—10,720,000	+4,794,900
INDIAN CLAIMS COMMISSION							
	91,400	140,000	111,020	117,020	+25,620	—22,980	+6,000
INTERSTATE COMMERCE COMMISSION							
General expenses.....	9,319,500	10,400,000	9,466,176	9,665,000	+345,500	—735,000	+198,824
Railroad safety.....	974,500	1,010,000	974,500	974,500		—35,500	
Locomotive inspection.....	709,500	740,000	709,500	709,500		—30,500	
Total, Interstate Commerce Commission.....	11,003,500	12,150,000	11,150,176	11,349,000	+345,500	—801,000	+198,824

INTERSTATE COMMISSION ON THE POTOMAC RIVER BASIN									
NATIONAL ADVISORY COMMITTEE FOR AERONAUTICS									
Salaries and expenses									
Construction and equipment									
Construction and equipment (liquidation of contract authori- zation)									
Total, National Advisory Committee for Aeronautics									
NATIONAL CAPITAL HOUSING AUTHORITY									
NATIONAL CAPITAL PLANNING COMMISSION									
Salaries and expenses									
Land acquisition									
Total, National Capital Planning Commission									
NATIONAL SCIENCE FOUNDATION									
RENEGOTIATION BOARD									
SECURITIES AND EXCHANGE COMMISSION									
SMITHSONIAN INSTITUTION									
Salaries and expenses									
National Gallery of Art, salaries and expenses									
Total, Smithsonian Institution									
SUBVERSIVE ACTIVITIES CONTROL BOARD									
TARIFF COMMISSION									
THE TAX COURT OF THE UNITED STATES									
5,000	5,000	5,000	5,000	5,000	5,000	5,000			
48,586,100	58,830,000	52,988,050	51,000,000	+2,413,900	-7,830,000	-1,988,050			
16,700,000	14,600,000	7,239,000	7,239,000	-9,461,000	-7,361,000				
1,000,000	4,200,000	4,200,000	4,200,000	+3,200,000					
66,286,100	77,630,000	64,427,050	62,439,000	-3,847,100	-15,191,000	-1,988,050			
45,000	48,000	43,000	43,000	-2,000	-5,000				
	175,000	97,915	155,000	+155,000	-20,000	+57,085			
66,000	1,250,000		365,000	+299,000	-885,000	+365,000			
66,000	1,425,000	97,915	520,000	+454,000	-905,000	+422,085			
4,750,000	15,000,000	5,724,400	10,000,000	+5,250,000	-5,000,000	+4,275,000			
5,407,800	8,500,000	5,192,800	5,192,800	-215,000	-3,307,200				
5,245,080	6,000,000	5,245,080	5,000,000	-245,080	-1,000,000	-245,080			
2,419,500	3,525,000	2,897,500	3,000,000	+580,500	-525,000	+102,500			
10 1,428,050	1,315,000	1,275,000	1,275,000	-153,050	-40,000				
3,847,550	4,840,000	4,172,500	4,275,000	+427,450	-565,000	+102,500			
291,305	400,000	200,000	200,000	-91,305	-200,000				
1,291,375	1,392,000	1,291,375	1,291,375		-100,625				
900,000	970,000	970,000	970,000	+70,000					

¹² Contained in the Supplemental Appropriation Act, 1953.

¹³ Not to exceed \$12,500 of prior year appropriations continued available for administrative expenses.

14 Not to exceed \$115,000 of prior year appropriations continued available for administrative expenses.

¹⁵ Contained in the Supplemental Appropriation Act, 1953.

¹⁶ Includes \$187,500 contained in the Supplemental Appropriation Act, 1953.

Comparative statement of appropriations for 1953, estimates for 1954, and amounts recommended in the bill for 1954—Con.

Corporation or agency	Appropriations, 1953	Budget esti- mates, 1954	Recommended in House bill for 1954	Amount rec- ommended by Senate committee	Increase (+) or decrease (—), Senate bill compared with—		
					Appropriations, 1953	Budget esti- mates, 1954	House bill
INDEPENDENT OFFICES—Continued							
WAR CLAIMS COMMISSION							
Payment of claims	(17)	(17)	(17)	(17)			
Administrative expenses	(18)	(19)	(20)	(21)			
Total, title I, Executive Office of the President and independent offices	\$993,536,843	\$1,172,444,190	\$451,020,493	\$457,412,879	—\$536,123,964	—\$715,031,311	+ \$6,392,386

¹⁷ Funds deposited in the Treasury to the credit of the war claims fund available for payment of claims.

¹⁸ Amount of \$984,550 available from war claims fund for administrative expenses, including \$250,000 made available in the Supplemental Appropriation Act, 1953.

¹⁹ Amount of \$400,000 available from war claims fund for administrative expenses.

²⁰ Amount of \$750,000 available from war claims fund for administrative expenses.

²¹ Amount of \$850,000 available from war claims fund for administrative expenses.

○

Calendar No. 238

83^D CONGRESS
1ST SESSION

H. R. 4663

[Report No. 237]

IN THE SENATE OF THE UNITED STATES

APRIL 23 (legislative day, APRIL 6), 1953

Read twice and referred to the Committee on Appropriations

MAY 12, 1953

Reported by Mr. SALTONSTALL, with amendments

[Omit the part struck through and insert the part printed in italic]

AN ACT

Making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1954, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That the following sums are appropriated, out of any money
4 in the Treasury not otherwise appropriated, for the Execu-
5 tive Office and sundry independent executive bureaus, boards,
6 commissions, corporations, agencies, and offices, for the fiscal
7 year ending June 30, 1954, namely:

1 EXECUTIVE OFFICE OF THE PRESIDENT

2 COMPENSATION OF THE PRESIDENT

3 For compensation of the President, including an expense
4 allowance at the rate of \$50,000 per annum, as authorized
5 by the Act of January 19, 1949 (3 U. S. C. 102),
6 \$150,000.

7 THE WHITE HOUSE OFFICE

8 Salaries and expenses: For expenses necessary for The
9 White House Office, including not to exceed \$120,000 for
10 services as authorized by section 15 of the Act of August
11 2, 1946 (5 U. S. C. 55a), at such per diem rates for in-
12 dividuals as the President may specify, and other personal
13 services without regard to the provisions of law regulating
14 the employment and compensation of persons in the Govern-
15 ment service; and travel and official entertainment expenses
16 of the President, to be accounted for solely on his certificate;
17 \$1,800,000.

18 EMERGENCY FUND FOR THE PRESIDENT

19 NATIONAL DEFENSE

20 For expenses necessary to enable the President, through
21 such officers or agencies of the Government as he may des-
22 ignate, and without regard to such provisions of law regard-
23 ing the expenditure of Government funds or the compensation
24 and employment of persons in the Government service as
25 he may specify, to provide in his discretion for emergencies

1 affecting the national interest, security, or defense which may
2 arise at home or abroad during the current fiscal year,
3 ~~\$500,000~~ \$300,000, together with the unobligated balance in
4 such fund on June 30, 1953: *Provided*, That no part of this
5 appropriation shall be available for allocation to finance a
6 function or project for which function or project a budget
7 estimate of appropriation was transmitted pursuant to law
8 during the Eighty-third Congress and such appropriation
9 denied after consideration thereof by the Senate or House of
10 Representatives or by the Committee on Appropriations of
11 either body.

12 EXECUTIVE MANSION AND GROUNDS

13 For the care, maintenance, repair and alteration, re-
14 furnishing, improvement, heating and lighting, including
15 electric power and fixtures, of the Executive Mansion and
16 the Executive Mansion grounds, and traveling expenses, to
17 be expended as the President may determine, notwithstand-
18 ing the provisions of this or any other Act, \$356,184.

19 BUREAU OF THE BUDGET

20 Salaries and expenses: For expenses necessary for the
21 Bureau of the Budget, including newspapers and periodicals
22 (not exceeding \$200) ; teletype news service (not exceed-
23 ing \$900) ; not to exceed \$70,000 for expenses of travel; and
24 not to exceed \$20,000 for services as authorized by section 15
25 of the Act of August 2, 1946 (5 U. S. C. 55a) , at rates not

1 to exceed \$50 per diem for individuals; \$3,412,000: *Pro-*
2 *vided*, That the title of the position of the Assistant Di-
3 rector of the Bureau of the Budget is changed to Deputy
4 Director: *Provided further*, That two positions of Assistant
5 Director are hereby authorized at a salary of \$15,000 each
6 per annum in lieu of two positions in grade GS-18.

7 INDEPENDENT OFFICES

8 AMERICAN BATTLE MONUMENTS COMMISSION

9 SALARIES AND EXPENSES

10 Salaries and expenses: For necessary expenses, as au-
11 thorized by the Act of June 26, 1946 (36 U. S. C. 121,
12 123-132, 138), including the acquisition of land or interest
13 in land in foreign countries; purchase and repair of uniforms
14 for caretakers of national cemeteries and monuments outside
15 of the United States and its Territories and possessions at a
16 cost not exceeding \$500; not to exceed ~~\$8,000~~ \$12,000 for
17 expenses of travel; rent of office and garage space in foreign
18 countries; and insurance of official motor vehicles in
19 foreign countries when required by law of such countries;
20 \$750,000: *Provided*, That where station allowance has been
21 authorized by the Department of the Army for officers of the
22 Army serving the Army at certain foreign stations, the same
23 allowance shall be authorized for officers of the Armed Forces

1 assigned to the Commission while serving at the same foreign
2 stations, and this appropriation is hereby made available for
3 the payment of such allowance: *Provided further*, That when
4 traveling on business of the Commission, officers of the Armed
5 Forces serving as members or as secretary of the Commission
6 may be reimbursed for expenses as provided for civilian
7 members of the Commission.

8 CONSTRUCTION OF MEMORIALS AND CEMETERIES

9 Construction of memorials and cemeteries: For expenses
10 necessary for the permanent design and construction of
11 memorials and cemeteries in foreign countries as authorized
12 by the Act of June 26, 1946 (36 U. S. C. 121, 123-132,
13 138b), and the Act of August 5, 1947 (50 U. S. C. App.
14 1819), including not to exceed ~~\$27,520~~ \$41,276 for ex-
15 penses of travel, ~~\$9,500,000~~ \$4,500,000, to remain available
16 until expended, *and, in addition, the Commission is author-*
17 *ized to utilize for carrying out the purposes of this appropria-*
18 *tion, without dollar reimbursement from this or any other*
19 *appropriation, foreign currencies or credits owed to or owned*
20 *by the Treasury of the United States in an amount not*
21 *exceeding \$4,000,000, and the Secretary of the Treasury*
22 *is directed to make such foreign currencies or credits availabl*
23 *to the Commission in the amount stated, to remain availabl*

1 *until expended: Provided, That foreign currencies available*
2 *to the credit of the Treasury shall be used to defray expenses*
3 *incurred for this purpose wherever practicable.*

4 CIVIL SERVICE COMMISSION

5 Salaries and expenses: For necessary expenses, includ-
6 ing not to exceed \$29,000 for services as authorized by
7 section 15 of the Act of August 2, 1946 (5 U. S. C. 55a) ;
8 not to exceed \$10,000 for medical examinations performed
9 for veterans by private physicians on a fee basis; travel
10 expenses of examiners acting under the direction of the Com-
11 mission, and expenses of examinations and investigations held
12 in Washington and elsewhere; not to exceed \$100 for the
13 purchase of newspapers and periodicals (excluding scientific,
14 technical, trade or traffic periodicals, for official use) ; pay-
15 ment in advance for library membership in societies whose
16 publications are available to members only or to members at
17 a price lower than to the general public; not to exceed
18 \$65,000 for performing the duties imposed upon the Com-
19 mission by the Act of July 19, 1940 (54 Stat. 767) ;
20 reimbursement of the General Services Administration for
21 security guard services for protection of confidential files; not
22 to exceed ~~\$383,335~~ \$570,000 for expenses of travel; and not
23 to exceed \$5,000 for actuarial services by contract, without
24 regard to section 3709, Revised Statutes, as amended;

1 ~~\$16,064,323~~ \$17,000,000: *Provided*, That no details from
2 any executive department or independent establishment in
3 the District of Columbia or elsewhere to the Commission's
4 central office in Washington or to any of its regional offices
5 shall be made during the current fiscal year, but this shall
6 not affect the making of details for service as members of the
7 boards of examiners outside the immediate offices of the Com-
8 mission in Washington or of the regional directors, nor shall
9 it affect the making of details of persons qualified to serve as
10 expert examiners on special subjects: *Provided further*, That
11 the Civil Service Commission shall have power in case of
12 emergency to transfer or detail any of its employees to or
13 from its office or field force: *Provided further*, That members
14 of the Loyalty Review Board in Washington and of the
15 regional loyalty boards in the field may be paid actual trans-
16 portation expenses, and per diem in lieu of subsistence author-
17 ized by the Travel Expense Act of 1949 while traveling on
18 official business away from their homes or regular places of
19 business, and while en route to and from and at the place
20 where their services are to be performed: *Provided further*,
21 That nothing in section 281 or 283 of title 18, United States
22 Code, or in section 190 of the Revised Statutes (5 U. S. C.
23 99) shall be deemed to apply to any person because of his
24 appointment for part-time or intermittent service as a mem-

1 ber of the Loyalty Review Board or a regional loyalty board
2 in the Civil Service Commission: *Provided further*, That,
3 effective July 1, 1953, or on the date of enactment of this
4 Act if such date is subsequent to July 1, 1953, the Federal
5 Personnel Council, Civil Service Commission, is hereby
6 abolished, and its personnel (at a cost not exceeding \$25,000
7 for the current fiscal year), files, records, and other property
8 are transferred to the Office of the Executive Director, Civil
9 Service Commission.

10 No part of the appropriations herein made to the Civil
11 Service Commission shall be available for the salaries and
12 expenses of the Legal Examining Unit in the Examining
13 and Personnel Utilization Division of the Commission, es-
14 tablished pursuant to Executive Order Numbered 9358 of
15 July 1, 1943, or for the compensation or expenses of any
16 member of a board of examiners (1) who has not made
17 affidavit that he has not appeared in any agency proceeding
18 within the preceding two years, and will not thereafter while
19 a board member appear in any agency proceeding, as a party,
20 or in behalf of a party to the proceeding, before an agency in
21 which an applicant is employed who has been rated or will
22 be rated by such member; or (2) who, after making such
23 affidavit, has rated an applicant who at the time of the rating
24 is employed by an agency before which the board member
25 has appeared as a party, or in behalf of a party, within the

preceding two years: *Provided*, That the definitions of “agency”, “agency proceeding”, and “party” in section 2 of the Administrative Procedure Act shall apply to these terms as used herein.

No part of appropriations herein shall be used to pay the compensation of officers and employees of the Civil Service Commission who allocate or reallocate supervisory positions in the classified civil service solely on the size of the group, section, bureau, or other organization unit, or on the number of subordinates supervised. References to size of the group, section, bureau, or other organization unit or the number of subordinates supervised may be given effect only to the extent warranted by the workload of such organization unit and then only in combination with other factors, such as the kind, difficulty, and complexity of work supervised, the degree and scope of responsibility delegated to the supervisor, and the kind, degree, and value of the supervision actually exercised.

Annuities, Panama Canal construction employees and Lighthouse Service widows: For payment of annuities authorized by the Act of May 29, 1944, as amended (48 U. S. C. 1373a), and the Act of August 19, 1950 (64 Stat. 465), \$2,500,000.

Payment to the civil-service retirement and disability

1 fund for increases in annuities provided by the Act of July
 2 16, 1952: For payment to the "civil-service retirement and
 3 disability fund" for the cost, as heretofore determined by
 4 the Civil Service Commission, of increases in annuities pro-
 5 vided by the Act of July 16, 1952 (66 Stat. 723), for
 6 the fiscal year 1954, \$31,397,000.

7 FEDERAL COMMUNICATIONS COMMISSION

8 Salaries and expenses: For necessary expenses in per-
 9 forming the duties of the Commission as authorized by law,
 10 including newspapers (not to exceed \$175), land and
 11 structures (not to exceed ~~\$3,000~~ \$13,000), special counsel
 12 fees, improvement and care of grounds and repairs to build-
 13 ings (not to exceed \$17,500), services as authorized by
 14 section 15 of the Act of August 2, 1946 (5 U. S. C. 55a),
 15 *purchase of not to exceed sixteen passenger motor vehicles, for*
 16 *replacement only*, and not to exceed ~~\$73,335~~ \$90,000 for
 17 expenses of travel, \$7,100,000, ~~of which not less than~~
 18 ~~\$935,000~~ shall be available for personal services necessary
 19 ~~for application processing and hearings in connection with the~~
 20 ~~issuance and renewal of television licenses, and not less than~~
 21 ~~\$809,271~~ shall be available for personal services necessary
 22 ~~for application processing and hearings in connection with~~
 23 ~~the issuance of licenses in the safety and special radio services.~~

FEDERAL POWER COMMISSION

Salaries and expenses: For expenses necessary for the work of the Commission, as authorized by law, including not to exceed ~~\$173,335~~ \$240,000 for expenses of travel; hire of passenger motor vehicles; and not to exceed \$500 for newspapers; \$4,300,000, of which not to exceed \$10,000 shall be available for special counsel and services as authorized by section 15 of the Act of August 2, 1946 (5 U. S. C. 55a), but at rates not exceeding \$50 per diem for individuals.

FEDERAL TRADE COMMISSION

Salaries and expenses: For necessary expenses of the Federal Trade Commission, including contract stenographic reporting services, not to exceed \$500 for newspapers, and not to exceed ~~\$163,035~~ \$196,435 for expenses of travel, ~~\$4,178,800~~ \$4,053,800: *Provided*, That no part of the foregoing appropriation shall be expended upon any investigation hereafter provided by concurrent resolution of the Congress until funds are appropriated subsequently to the enactment of such resolution to finance the cost of such investigation: *Provided further*, That no part of the foregoing appropriation shall be available for a statistical analysis of the consumer's dollar.

1 GENERAL ACCOUNTING OFFICE

2 Salaries and expenses: For necessary expenses of the
3 General Accounting Office, including newspapers and peri-
4 odicals (not exceeding \$500), and services as authorized
5 by section 15 of the Act of August 2, 1946 (5 U. S. C. 55a),
6 \$31,981,000.

7 GENERAL SERVICES ADMINISTRATION

8 Operating expenses, Public Buildings Service: For
9 necessary expenses of real property management and
10 related activities as provided by law; including the salary
11 of the Commissioner of Public Buildings at the rate of
12 \$16,500 per annum so long as the position is held by the
13 present incumbent; repair and improvement of public
14 buildings and grounds (including furnishings and equip-
15 ment) under the control of the General Services Adminis-
16 tration; rental of buildings in the District of Columbia;
17 restoration of leased premises; moving Government agen-
18 cies in connection with the assignment, allocation, and
19 transfer of building space; demolition of buildings; acquisition
20 by purchase or otherwise and disposal by sale or otherwise
21 of real estate and interests therein; and not to exceed
22 ~~\$161,200~~ \$208,300 for expenses of travel; ~~\$98,826,070~~
23 ~~\$104,750,000~~: *Provided*, That the foregoing appropriation
24 shall not be available to effect the moving of Government
25 agencies from the District of Columbia into buildings acquired

1 to accomplish the dispersal of departmental functions of the
2 executive establishment into areas outside of but accessible to
3 the District of Columbia.

4 Emergency operating expenses: For necessary emergency
5 expenses of the General Services Administration not other-
6 wise provided for, for operation, maintenance, protection,
7 repair, alterations, and improvements of public buildings and
8 grounds (including furnishings and equipment) to the extent
9 that such buildings and grounds are under the control of the
10 General Services Administration for such purposes as are
11 provided for in Public Law 152, Eighty-first Congress, as
12 amended; rental of buildings or parts thereof in the District
13 of Columbia and elsewhere, including repairs, alterations,
14 and improvements necessary for proper use by the Govern-
15 ment, without regard to section 322 of the Act of June 30,
16 1932, as amended (40 U. S. C. 278a) ; restoration of leased
17 premises; moving Government agencies in connection with
18 the assignment, allocation, and transfer of building space; and
19 not to exceed ~~\$22,865~~ \$30,000 for expenses of travel;
20 ~~\$22,668,250~~ \$20,000,000: *Provided*, That of this amount,
21 such sums as may be determined by the General Services
22 Administrator to be necessary may be paid into other appro-
23 priations of the General Services Administration only for
24 purposes of accounting: *Provided further*, That no part of
25 this appropriation shall be available to effect the moving of

1 Government agencies from the District of Columbia to
2 accomplish the dispersal of departmental functions.

3 Repair, improvement, and equipment of federally owned
4 buildings outside the District of Columbia: For expenses nec-
5 essary for the repair, alteration, preservation, renovation,
6 improvement, equipment, and demolition of federally owned
7 buildings outside the District of Columbia, not otherwise pro-
8 vided for, including grounds, approaches and appurtenances,
9 wharves and piers, together with the necessary dredging
10 adjacent thereto; acquisition of land as authorized by title III
11 of the Act of June 16, 1949 (40 U. S. C. 297); not to
12 exceed ~~\$133,400~~ \$160,000 for expenses of travel; and care
13 and safeguarding of sites acquired for Federal buildings;
14 \$18,000,000, to remain available until expended.

15 Buildings management fund: For working capital for the
16 "Buildings management fund", authorized by the Act ap-
17 proved July 12, 1952 (66 Stat. 594), \$3,000,000, to
18 remain available without fiscal year limitation.

19 Remodeling the Congress Street Post Office, Chicago,
20 Illinois: For remodeling the Congress Street Post Office
21 building and facilities in Chicago, Illinois, including ramps
22 and approach roadways, as authorized by section 408 of the
23 Public Buildings Act of 1949 (63 Stat. 176), to permit
24 Congress Street to be developed, by the City of Chicago, as a
25 superhighway through said post office, and including not to

1 exceed ~~\$800~~ \$1,200 for expenses of travel, \$576,200, to re-
2 main available until expended: *Provided*, That this appro-
3 priation shall not be available until the city of Chicago shall have
4 paid to the United States the sum of \$600,000 as its con-
5 tribution to the cost of the project appropriated for herein,
6 and said amount may be credited to this appropriation and
7 shall be available for the purposes thereof.

8 Operating expenses, Federal Supply Service: For neces-
9 sary expenses of personal property management and related
10 activities as provided by law; including not to exceed \$300
11 for the purchase of newspapers and periodicals; and not to
12 exceed ~~\$79,865~~ \$81,000 for expenses of travel; \$2,605,000.

13 Expenses, general supply fund: For expenses necessary
14 for operation of the general supply fund (except those
15 authorized by law to be charged to said fund), including
16 contractual services incident to receiving, handling, and
17 shipping warehouse items; not to exceed \$250 for purchase
18 of newspapers and periodicals; and not to exceed ~~\$140,700~~
19 \$174,200 for expenses of travel; \$13,924,500: *Provided*.
20 That funds available to the General Services Administration
21 for the current fiscal year shall be available for the hire of
22 passenger motor vehicles.

23 Operating expenses, National Archives and Records
24 Service: For necessary expenses in connection with Federal
25 records management and related activities as provided by

1 law; and not to exceed ~~\$24,600~~ ~~\$36,900~~ for expenses of
2 travel; ~~\$5,625,000~~ ~~\$5,525,000~~ of which ~~\$200,000~~ ~~\$100,000~~
3 shall remain available until expended for nitrate film
4 conversion.

5 Administrative operations: For necessary expenses of
6 executive direction for activities under the control of the
7 General Services Administration, of administrative operations
8 for activities under regular appropriations for "Operating
9 expenses," and of processing and determining renegotiation
10 rebates; including not to exceed ~~\$88,600~~ ~~\$98,200~~ for ex-
11 penses of travel; and not to exceed \$250 for purchase of
12 newspapers and periodicals; ~~\$4,140,750~~ ~~\$4,200,000~~.

13 Refunds under Renegotiation Act: For refunds under
14 section 201 (f) of the Renegotiation Act of 1951,
15 \$9,000,000, which, together with the unobligated balance
16 of the appropriations granted under this head for the fiscal
17 years 1952 and 1953, shall remain available until June 30,
18 1955: *Provided*, That to the extent refunds are made from
19 this appropriation of excessive profits collected under the Re-
20 negotiation Act and retained by the Reconstruction Finance
21 Corporation or any of its subsidiaries, the Reconstruction
22 Finance Corporation or the appropriate subsidiary shall
23 reimburse this appropriation.

24 Strategic and critical materials: Funds available for
25 this purpose during the current fiscal year shall be available

1 for services as authorized by section 15 of the Act of
2 August 2, 1946 (5 U. S. C. 55a), and not to exceed
3 ~~\$143,000~~ \$209,550 of such funds shall be available for ex-
4 penses of travel: *Provided*, That any funds received as pro-
5 ceeds from sale or other disposition of materials on account of
6 the rotation of stocks under said Act shall be deposited to the
7 credit, and be available for expenditure for the purposes,
8 of this appropriation: *Provided further*, That during the
9 current fiscal year, there shall be no limitation on the value
10 of surplus strategic and critical materials which, in accord-
11 ance with subsection 6 (a) of the Act of July 23, 1946
12 (50 U. S. C. 98e (a)), may be transferred to stockpiles
13 established in accordance with said Act.

14 Strategic and critical materials (liquidation of contract
15 authorization) : For liquidation of obligations incurred pur-
16 suant to authority heretofore granted under this head, to
17 enter into contracts for the purpose of the Strategic and
18 Critical Materials Stock Piling Act of July 23, 1946, not
19 to exceed \$30,000,000 may be expended from funds previ-
20 ously appropriated under the title "Strategic and critical
21 materials": *Provided*, That this amount may be disbursed
22 through the appropriation "Strategic and critical materials"
23 but shall be accounted for separately therein.

24 The appropriate foregoing appropriation to the General

1 Services Administration shall be credited with (1) advances
2 or reimbursements for salaries and administrative expenses
3 chargeable against other appropriations of the General Serv-
4 ices Administration, and such salaries and expenses may be
5 paid from such foregoing appropriation; (2) cost of mainte-
6 nance, upkeep, and repair included as part of rentals received
7 from Government corporations pursuant to law (40 U. S. C.
8 129) ; (3) reimbursements for services performed in respect
9 to bonds and other obligations under the jurisdiction of the
10 General Services Administration, issued by public authorities,
11 States, or other public bodies, and such services in respect
12 to such bonds or obligations as the Administrator deems
13 necessary and in the public interest may, upon the request
14 and at the expense of the issuing agencies, be provided from
15 the appropriate foregoing appropriation; and (4) appro-
16 priations or funds available to other agencies, and transferred
17 to the General Services Administration, in connection with
18 property transferred to the General Services Administration
19 pursuant to the Act of July 2, 1948 (50 U. S. C. 451ff) ,
20 and such appropriations or funds may, with the approval of
21 the Bureau of the Budget, be so transferred.

22 During the current fiscal year, no part of any money
23 appropriated in this or any other Act shall be used during
24 any quarter of such fiscal year to purchase within the con-

1 tinenta limits of the United States typewriting machines
2 (except bookkeeping and billing machines) at a price
3 which exceeds 90 per centum of the lowest net cash price,
4 plus applicable Federal excise taxes, accorded the most-
5 favored customer (other than the ~~Federal government, State~~
6 ~~governments, Government,~~ the American National Red Cross,
7 and the purchasers of typewriting machines for educational
8 purposes only) of the manufacturer of such machines during
9 the six-month period immediately preceding such quarter:
10 *Provided*, That the purchase, utilization, and disposal
11 of typewriting machines shall be performed in accord-
12 ance with the provisions of the Federal Property and Ad-
13 ministrative Services Act of 1949, as amended.

14 REDUCTIONS IN APPROPRIATIONS

15 Amounts available to the General Services Administra-
16 tion from appropriations and other funds are hereby reduced
17 in the sums hereinafter set forth, such sums to be carried to
18 the surplus fund and covered into the Treasury immediately
19 upon the approval of this Act:

20 Construction of public buildings, \$160,000.

21 Geophysical Institute, Alaska, \$49,000.

22 Acquisition of additional land in the District of
23 Columbia, \$1,075,000.

1 HOUSING AND HOME FINANCE AGENCY

2 OFFICE OF THE ADMINISTRATOR

3 Salaries and expenses: For necessary expenses of the
4 Office of the Administrator, including rent in the District of
5 Columbia; services as authorized by section 15 of the Act
6 of August 2, 1946 (5 U. S. C. 55a); not to exceed
7 ~~\$175,800~~ \$211,300 for expenses of travel; expenses of at-
8 tendance at meetings of organizations concerned with the
9 work of the agency; and transportation expenses and not to
10 exceed \$25 per diem in lieu of subsistence, as authorized by
11 section 5 of the Act of August 2, 1946 (5 U. S. C. 73b-2).
12 for persons serving without compensation as members of
13 any advisory committee established pursuant to title VI
14 of the Housing Act of 1949; ~~\$2,587,100~~ \$3,330,000: *Pro-*
15 *vided*, That necessary expenses of inspections and of provid-
16 ing representatives at the site of projects being undertaken
17 by local public agencies pursuant to title I of the Housing
18 Act of 1949 and of projects financed through loans to educa-
19 tional institutions authorized by title IV of the Housing Act
20 of 1950, shall be compensated by such agencies or institu-
21 tions by the payment of fixed fees which in the aggregate
22 will cover the costs of rendering such services, and expenses
23 for such purpose shall be considered nonadministrative; and
24 for the purpose of providing such inspections, the Adminis-
25 trator may utilize any agency and such agency may accept

1 reimbursement or payment for such services from such insti-
2 tutions or the Administrator, and shall credit such amounts
3 to the appropriations or funds against which such charges
4 have been made, but such nonadministrative expenses shall
5 not exceed \$500,000: ~~Provided further, That not to exceed~~
6 ~~\$40,000 of this appropriation shall be available for a reor-~~
7 ~~ganization survey of the Housing and Home Finance Agency~~
8 ~~in cooperation with the President's Advisory Committee on~~
9 ~~Government Organization: Provided further, That the Ad-~~
10 ~~ministrator is authorized without regard to any other pro-~~
11 ~~visions of law to transfer without reimbursement any project~~
12 ~~or facility, or part thereof, constructed or provided under title~~
13 ~~II of the Act of October 14, 1940, as amended (including~~
14 ~~any personal property related to such project or facility),~~
15 ~~to any other department or agency, whenever the head of~~
16 ~~such department or agency so requests after determining~~
17 ~~that such project or facility is required for the continued~~
18 ~~operation of or is an integral part of a project or facility~~
19 ~~under the jurisdiction of such department or agency: Pro-~~
20 ~~vided further, That the Administrator's general supervision~~
21 ~~and coordination responsibilities under Reorganization Plan~~
22 ~~Numbered 3 of 1947 shall carry full authority to assign and~~
23 ~~reassign functions, to reorganize and to make whatever~~
24 ~~changes, including the reallocation and transfer of adminis-~~
25 ~~trative expense funds and authority where applicable, neces-~~

1 sary to promote economy and efficiency in the operations of
2 the Housing and Home Finance Agency: *Provided further,*
3 That the Administrator shall not expend more than \$21,
4 000,000 during the fiscal year 1954 on loans to educational
5 institutions not committed as of June 30, 1953.

6 Defense Community Facilities and Services: During the
7 current fiscal year not to exceed ~~\$112,500~~ \$115,000 of the
8 appropriations granted under this head in the Second and
9 Third Supplemental Appropriation Acts, 1952, shall be
10 available for administrative expenses in connection with the
11 construction of facilities under such appropriations.

12 Capital grants for slum clearance and urban redevelop-
13 ment: For an additional amount for payment of capital grants
14 as authorized by title I of the Housing Act of 1949, as
15 amended (42 U. S. C. 1453, 1456), \$20,000,000, to remain
16 available until expended: ~~Provided,~~ That before approv-
17 ing any local slum clearance program under title I
18 of the Housing Act of 1949, the Administrator shall
19 give consideration to the efforts of the locality to en-
20 force local codes and regulations relating to adequate
21 standards of health, sanitation, and safety for dwell-
22 ings and to the feasibility of achieving slum clearance
23 objectives through rehabilitation of existing dwellings and
24 areas: *Provided further,* That the authority under title I of
25 the National Housing Act shall be used to the utmost in

1 connection with slum rehabilitation needs: *Provided further,*
 2 That section 110, subsection (e) of the Housing Act of
 3 1949 is hereby amended to read: "Gross project cost" shall
 4 comprise (1) the amount of the expenditures by the local
 5 public agency with respect to any and all undertakings nec-
 6 essary to carry out the project (including the payment of
 7 carrying charges, but not beyond the point where the proj-
 8 ect is completed, and excluding expenditures for parks, play-
 9 grounds, public buildings, or similar facilities), and (2) the
 10 amount of such local grants-in-aid as are described in clause
 11 (2) of section 110 (d) hereof.

12 PUBLIC HOUSING ADMINISTRATION

13 Administrative expenses: For administrative expenses of
 14 the Public Housing Administration, ~~\$1,948,000~~ \$9,000,000,
 15 to be merged with and expended under the authorization
 16 for such expenses contained in title II of this Act.

17 Annual contributions: For the payment of annual
 18 contributions to public housing agencies in accordance with
 19 section 10 of the United States Housing Act of 1937, as
 20 amended (42 U. S. C. 1410), \$32,500,000: *Provided,*
 21 That except for payments required on contracts entered
 22 into prior to April 18, 1940, no part of this appropriation
 23 shall be available for payment to any public housing agency
 24 for expenditure in connection with any low-rent housing
 25 project, unless the public housing agency shall have adopted

1 regulations prohibiting as a tenant of any such project by
2 rental or occupancy any person other than a citizen of the
3 United States, but such prohibition shall not be applicable in
4 the case of a family of any serviceman or the family of any
5 veteran who has been discharged (other than dishonorably)
6 from, or the family of any serviceman who died in, the
7 Armed Forces of the United States within four years prior
8 to the date of application for admission to such housing:
9 *Provided further*, That all expenditures of this appropriation
10 shall be subject to audit and final settlement by the Comp-
11 troller General of the United States under the provisions of
12 the Budget and Accounting Act of 1921, as amended: ~~*Pro-*~~
13 ~~*vided further*~~, That no housing shall be authorized by
14 the Public Housing Administration, or, if under construc-
15 tion, continue to be constructed, in any community where
16 the people of that community, by their duly elected repre-
17 sentatives, or by referendum, or by any other legal method,
18 have indicated they do not want it, and such community shall
19 negotiate with the Federal Government the repayment to
20 the Government, only such money expended prior to the
21 vote or other formal action whereby the community re-
22 jected such housing project: *Provided further*, That, in any
23 case where the Public Housing Administration (after the
24 approvals on the part of the governing body of the community
25 required by law) has entered into a financial assistance

1 contract with a local housing authority covering a low-rent
2 housing project to be constructed in such community and the
3 people of that community, by vote of their duly elected
4 representatives, or by referendum, have thereafter indicated
5 that they do not want such low-rent housing project con-
6 structed, then, in such case the Public Housing Administra-
7 tion, for a period (which shall not again be granted in
8 connection with such low-rent housing project) of one hundred
9 and eighty days after the date of such vote or referendum,
10 or the effective date of this Act, whichever is the later date,
11 or such longer period as the Housing and Home Finance
12 Administrator, in his discretion, may grant, shall not (unless
13 requested by the governing body of the locality to do so)
14 authorize the award of any contract for the construction of
15 such low-rent housing project, or advance any further funds
16 for such low-rent housing project, and, during such period,
17 the local community shall negotiate with the Public Housing
18 Administration for the liquidation of such financial assistance
19 contract and, if during such period the local community enters
20 into a valid and binding contract with the Public Housing
21 Administration for the repayment to it by the community of
22 a stated amount representing moneys advanced or guaranteed
23 by it under such financial assistance contract, and for the
24 payment of any additional sums which the local housing

1 authority or the Public Housing Administration would be
2 obligated or liable to pay to secure releases from obligations
3 theretofore incurred under such financial assistance con-
4 tract the Public Housing Administration shall cancel
5 its financial assistance contract in respect to such low-
6 rent housing project: *Provided further*, That the record
7 of expenditure of the Public Housing Administration and
8 of the local housing authority on any public housing
9 project shall be open to examination by the responsible
10 authorities of any community in which such project is
11 located, or by the local public housing authority, or by any
12 firm of public accountants retained by either of the foregoing:
13 *Provided further*, That no housing unit constructed under
14 the United States Housing Act of 1937, as amended, shall
15 be occupied by a person who is a member of an organization
16 designated as subversive by the Attorney General: *Pro-*
17 *vided further*, That the foregoing prohibition shall be en-
18 forced by the local housing authority, and that such prohibi-
19 tion shall not impair or affect the powers or obligations of
20 the Public Housing Administration with respect to the
21 making of loans and annual contributions under the United
22 States Housing Act of 1937, as amended:—*Provided*
23 *further*, That the limitation in clause (2) of the third proviso
24 under this head in title I of the Independent Offices Appro-
25 priation Act, 1953, is amended to read as follows: “(2)

1 after the date of approval of this Act, enter into any agree-
 2 ment, contract, or other arrangement which will bind the
 3 Public Housing Administration with respect to loans, annual
 4 contributions, or authorizations for commencement of con-
 5 struction, for any dwelling units or projects": *Provided fur-*
 6 *ther, That notwithstanding the provisions of the United States*
 7 *Housing Act of 1937, as amended, the Public Housing Ad-*
 8 *ministration shall not, with respect to projects initiated after*
 9 *March 1, 1949, (1) authorized during the fiscal year 1954 the*
 10 *commencement of construction of in excess of thirty-five thou-*
 11 *sand dwelling units or (2) after the date of approval of this*
 12 *Act, enter into any agreement, contract, or other arrangement*
 13 *which will bind the Public Housing Administration with*
 14 *respect to loans, annual contributions, or authorizations for*
 15 *commencement of construction, for dwelling units aggregating*
 16 *in excess of thirty-five thousand to be authorized for com-*
 17 *mencement of construction during any one fiscal year subse-*
 18 *quent to the fiscal year 1954, unless a greater number of*
 19 *units is hereafter authorized by the Congress.*

REDUCTIONS IN APPROPRIATIONS

21 Defense housing: The sum of \$17,500,000 of funds
 22 heretofore appropriated under this head is hereby rescinded,
 23 and such amount shall be covered into the Treasury promptly
 24 upon enactment of this Act: *Provided, That the amount*
 25 *hereby rescinded may be reduced by an amount determined*

1 by the Administrator to be required as a reserve for overruns
2 and contingencies in connection with projects heretofore
3 assigned for construction pursuant to Public Law 139
4 (Eighty-second Congress).

5 Alaska housing: Of amounts heretofore appropriated
6 under this head for the revolving fund authorized by the
7 Alaska Housing Act, Public Law 52 (Eighty-first Con-
8 gress), the Administrator shall cause to be covered into the
9 Treasury a total of \$5,000,000 in one or more deposits as
10 soon as practicable, but not later than June 30, 1954.

11 Advance planning of non-Federal public works: The sum
12 of \$4,600,000 of funds heretofore appropriated under this
13 head is hereby rescinded, and such amount shall be covered
14 into the Treasury promptly upon enactment of this Act.

15 INDIAN CLAIMS COMMISSION

16 Salaries and expenses: For expenses necessary to carry
17 out the purposes of the Act of August 13, 1946 (25 U. S. C.
18 70), creating an Indian Claims Commission, ~~\$111,020,~~
19 ~~\$117,020,~~ of which not to exceed ~~\$2,845~~ \$4,270 shall be
20 available for expenses of travel.

21 INTERSTATE COMMERCE COMMISSION

22 General expenses: For expenses necessary in performing
23 the functions vested by law in the Commission (49 U. S. C.
24 1-24, 301-327, 901-923, 1001-1022), except those other-
25 wise specifically provided for in this Act, and for general

1 administration, including not to exceed \$5,000 for the em-
 2 ployment of special counsel; contract stenographic reporting
 3 services; newspapers (not to exceed \$200) ; *purchase of not*
 4 *to exceed nine passenger motor vehicles, for replacement only;*
 5 and not to exceed ~~\$212,645~~ \$290,650 for expenses of travel;
 6 ~~\$9,466,176~~ \$9,665,000, of which \$100,000 shall be available
 7 for valuations of pipe lines: *Provided*, That Joint Board
 8 members and cooperating State commissioners may use Gov-
 9 ernment transportation requests when traveling in connec-
 10 tion with their duties as such.

11 Railroad safety: For expenses necessary in performing
 12 functions authorized by law (45 U. S. C. 1-15, 17-21,
 13 35-46, 61-64; 49 U. S. C. 26) to insure a maximum of
 14 safety in the operation of railroads, including authority to
 15 investigate, test experimentally, and report on the use and
 16 need of any appliances or systems intended to promote the
 17 safety of railway operation, including those pertaining to
 18 block-signal and train-control systems, as authorized by the
 19 joint resolution approved June 30, 1906, and the Sundry
 20 Civil Act of May 27, 1908 (45 U. S. C. 35-37), and to
 21 require carriers by railroad subject to the Act to install auto-
 22 matic train-stop or train-control devices as prescribed by the
 23 Commission (49 U. S. C. 26), including the employment
 24 of inspectors and engineers, and including not to exceed
 25 \$163,050 for expenses of travel, \$974,500.

1 Locomotive inspection: For expenses necessary in the
2 enforcement of the Act of February 17, 1911, entitled "An
3 Act to promote the safety of employees and travelers upon
4 railroads by compelling common carriers engaged in inter-
5 state commerce to equip their locomotives with safe and
6 suitable boilers and appurtenances thereto", as amended
7 (45 U. S. C. 22-34), including not to exceed \$112,620
8 for expenses of travel, \$709,500.

9 INTERSTATE COMMISSION ON THE POTOMAC
10 RIVER BASIN

11 Contribution to Interstate Commission on the Potomac
12 River Basin: To enable the Secretary of the Treasury to
13 pay in advance to the Interstate Commission on the Potomac
14 River Basin the Federal contribution toward the expenses
15 of the Commission during the current fiscal year in the
16 administration of its business in the conservancy district
17 established pursuant to the Act of July 11, 1940 (54 Stat.
18 748), \$5,000.

19 NATIONAL ADVISORY COMMITTEE FOR
20 AERONAUTICS

21 Salaries and expenses: For necessary expenses of the
22 Committee, including one Director at not to exceed \$17,500
23 per annum so long as the position is held by the present
24 incumbent; contracts for the making of special investigations
25 and reports and for engineering, drafting and computing

1 services; equipment; not to exceed ~~\$216,700~~ \$325,000 for
2 expenses of travel; maintenance and operation of aircraft;
3 not to exceed \$100 for newspapers and periodicals; and
4 services as authorized by section 15 of the Act of August 2,
5 1946 (5 U. S. C. 55a) ; ~~\$52,988,050~~ \$51,000,000.

6 Construction and equipment: For construction and
7 equipment at laboratories and research stations of the
8 Committee, including the acquisition of not to exceed ten
9 acres of land adjacent to the Lewis Flight Propulsion Lab-
10 oratory, Cleveland, Ohio, \$7,239,000, to remain available
11 until expended.

12 Construction and equipment (liquidation of contract au-
13 thorization) : For liquidation of obligations incurred pursu-
14 ant to authority heretofore granted under this head to enter
15 into contracts for construction and equipment, \$4,200,000.

16 NATIONAL CAPITAL HOUSING AUTHORITY

17 Maintenance and operation of properties: For the main-
18 tenance and operation of properties under title I of the Dis-
19 trict of Columbia Alley Dwelling Authority Act, \$43,000:
20 *Provided*, That all receipts derived from sales, leases, or
21 other sources shall be covered into the Treasury of the United
22 States monthly: *Provided further*, That so long as funds are
23 available from appropriations for the foregoing purposes, the
24 provisions of section 507 of the Housing Act of 1950 (Public
25 Law 475, Eighty-first Congress) shall not be effective.

1 NATIONAL CAPITAL PLANNING COMMISSION

2 Salaries and expenses: For necessary expenses, as
3 authorized by the National Capital Planning Act of 1952
4 (66 Stat. 781), including services as authorized by section
5 15 of the Act of August 2, 1946 (5 U. S. C. 55a) ; not to
6 exceed \$100 for the purchase of newspapers and periodicals;
7 not to exceed ~~\$4,260~~ \$7,000 for expenses of travel; payment
8 in advance for membership in societies whose publications or
9 services are available to members only or to members at
10 a price lower than to the general public; and transportation
11 and not to exceed \$15 per diem in lieu of subsistence, as
12 authorized by section 5 of the Act of August 2, 1946
13 (5 U. S. C. 73b-2) , for members of the Commission serving
14 without compensation; ~~\$97,915~~ \$155,000.

15 Land acquisition, National Capital park, parkway, and
16 playground system: ~~Of unexpended funds available for land~~
17 ~~acquisition purposes a total of not exceeding \$19,680 may~~
18 ~~be used during the current fiscal year for necessary expenses~~
19 ~~of the Commission (other than payments for land) in con-~~
20 ~~nection with land acquisition~~ *For necessary expenses for the*
21 *National Capital Planning Commission in connection with*
22 *the acquisition of land for the park, parkway, and play-*
23 *ground system of the National Capital, as authorized by the*
24 *Act of May 29, 1930 (46 Stat. 482), as amended, \$365,000,*
25 *to remain available until expended, \$100,000 of said sum to*

1 *be used for carrying out the provisions of section 1 (a) of*
 2 *said Act and \$265,000 for carrying out the provisions of*
 3 *section 1 (b) of said Act: Provided, That not exceeding*
 4 *\$24,940 of the funds available for land acquisition purposes*
 5 *shall be used during the current fiscal year for necessary ex-*
 6 *penses of the Commission (other than payments for land) in*
 7 *connection with land acquisition.*

8 NATIONAL SCIENCE FOUNDATION

9 Salaries and expenses: For expenses necessary to carry
 10 out the purposes of the National Science Foundation Act of
 11 1950 (42 U. S. C. 1861-1875), including award of gradu-
 12 ate fellowships; services as authorized by section 15 of the
 13 Act of August 2, 1946 (5 U. S. C. 55a), at rates not to
 14 exceed \$50 per diem for individuals; hire of passenger motor
 15 vehicles; not to exceed ~~\$78,000~~ \$101,000 for expenses of
 16 travel; not to exceed \$150 for the purchase of newspapers
 17 and periodicals; and reimbursement of the General Services
 18 Administration for security guard services; ~~\$5,724,400~~ \$10,-
 19 000,000, to remain available until expended.

20 RENEGOTIATION BOARD

21 SALARIES AND EXPENSES

22 For necessary expenses of the Renegotiation Board, in-
 23 cluding expenses of attendance at meetings concerned with
 24 the purposes of this appropriation; hire of passenger motor
 25 vehicles; not to exceed ~~\$238,700~~ \$305,600 for expenses of

1 travel; and services as authorized by section 15 of the Act of
 2 August 2, 1946 (5 U. S. C. 55a), at rates not to exceed \$50
 3 per diem for individuals; \$5,192,800.

4 SECURITIES AND EXCHANGE COMMISSION

5 Salaries and expenses: For necessary expenses, includ-
 6 ing not to exceed \$500 for the purchase of newspapers;
 7 not to exceed ~~\$104,170~~ \$150,000 for expenses of travel; and
 8 services as authorized by section 15 of the Act of August
 9 2, 1946 (5 U. S. C. 55a) ; ~~\$5,245,080~~ \$5,000,000.

10 SMITHSONIAN INSTITUTION

11 Salaries and expenses, Smithsonian Institution: For all
 12 necessary expenses for the preservation, exhibition, and in-
 13 crease of collections from the surveying and exploring expe-
 14 ditions of the Government and from other sources; for the
 15 system of international exchanges between the United States
 16 and foreign countries; for anthropological researches among
 17 the American Indians and the natives of lands under the
 18 jurisdiction or protection of the United States, independently
 19 or in cooperation with State, educational, and scientific
 20 organizations in the United States, and the excavation and
 21 preservation of archeological remains; for maintenance of the
 22 Astrophysical Observatory and making necessary observa-
 23 tions in high altitudes; for the administration of the National
 24 Collection of Fine Arts; for the administration, construc-
 25 tion and maintenance, of laboratory and other facilities on

1 Barro Colorado Island, Canal Zone, under the provisions
2 of the Act of July 2, 1940, as amended by the provisions
3 of Reorganization Plan Numbered 3 of 1946; for the main-
4 tenance and administration of a national air museum as
5 authorized by the Act of August 12, 1946 (20 U. S. C. 77) ;
6 including not to exceed \$35,000 for services as authorized
7 by section 15 of the Act of August 2, 1946 (5 U. S. C. 55a) ;
8 not to exceed ~~\$6,825~~ \$10,225 for expenses of travel; pur-
9 chase, repair, and cleaning of uniforms for guards and eleva-
10 tor conductors; repairs and alterations of buildings and
11 approaches; and preparation of manuscripts, drawings, and
12 illustrations for publications; ~~\$2,897,500~~ \$3,000,000.

13 Salaries and expenses, National Gallery of Art: For the
14 upkeep and operation of the National Gallery of Art, the
15 protection and care of the works of art therein, and admin-
16 istrative expenses incident thereto, as authorized by the Act
17 of March 24, 1937 (50 Stat. 51), as amended by the public
18 resolution of April 13, 1939 (Public Resolution 9, Seventy-
19 sixth Congress), including services as authorized by section
20 15 of the Act of August 2, 1946 (5 U. S. C. 55a) ; pay-
21 ment in advance when authorized by the treasurer of the
22 Gallery for membership in library, museum, and art associa-
23 tions or societies whose publications or services are available
24 to members only, or to members at a price lower than to the
25 general public; purchase, repair, and cleaning of uniforms

1 for guards and elevator operators; purchase or rental of de-
 2 vices and services for protecting buildings and contents there-
 3 of, and maintenance and repair of buildings, approaches, and
 4 grounds; not to exceed ~~\$1,600~~ \$1,800 for expenses of travel;
 5 and not to exceed \$15,000 for restoration and repair of
 6 works of art for the National Gallery of Art by contracts
 7 made, without advertising, with individuals, firms, or organ-
 8 izations at such rates or prices and under such terms and con-
 9 ditions as the Gallery may deem proper; \$1,275,000.

10 SUBVERSIVE ACTIVITIES CONTROL BOARD

11 Salaries and expenses: For necessary expenses of the
 12 Subversive Activities Control Board, including services as
 13 authorized by section 15 of the Act of August 2, 1946
 14 (5 U. S. C. 55a) , not to exceed ~~\$10,000~~ \$15,000 for expenses
 15 of travel, and not to exceed \$100 for the purchase of
 16 newspapers and periodicals, \$200,000, without regard to
 17 the provisions of subsection (c) of section 3679 of the Re-
 18 vised Statutes, as amended.

19 TARIFF COMMISSION

20 Salaries and expenses: For necessary expenses of the
 21 Tariff Commission, including subscriptions to newspapers
 22 (not to exceed \$200) , not to exceed ~~\$11,335~~ \$14,500 for
 23 expenses of travel, and contract stenographic reporting
 24 services as authorized by section 15 of the Act of August
 25 2, 1946 (5 U. S. C. 55a) , \$1,291,375: *Provided*, That no

1 part of this appropriation shall be used to pay the salary of any
2 member of the Tariff Commission who shall hereafter par-
3 ticipate in any proceedings under sections 336, 337, and 338
4 of the Tariff Act of 1930, wherein he or any member of his
5 family has any special, direct, and pecuniary interest, or in
6 which he has acted as attorney or special representative.

7 THE TAX COURT OF THE UNITED STATES

8 Salaries and expenses: For necessary expenses, includ-
9 ing contract stenographic reporting services and not to ex-
10 ceed ~~\$40,000~~ \$45,000 for travel expenses, \$970,000: *Pro-*
11 *vided*, That travel expenses of the judges shall be paid upon
12 the written certificate of the judge.

13 WAR CLAIMS COMMISSION

14 PAYMENT OF CLAIMS

15 For payment of claims, as authorized by the War Claims
16 Act of 1948, as amended, from funds deposited in the Treas-
17 ury to the credit of the war claims fund created by section
18 13 (a) of said Act, such sums as may be necessary, to be
19 available to the Secretary of the Treasury for payment of
20 claims under sections 4 (a), 4 (b) (2), 5 (a) through (e),
21 6, and 7 of said Act to the payees named and in the amounts
22 stated in certifications by the War Claims Commission and
23 the Secretary of Labor or their duly authorized representa-
24 tives, which certifications shall be in lieu of any vouchers
25 which might otherwise be required: *Provided*, That this ap-

1 appropriation shall not be available for administrative expenses:
2 *Provided further,* That no claims shall be allowed or paid
3 under the provisions of said War Claims Act of 1948 from
4 any funds other than those covered into the Treasury pur-
5 suant to the provisions of section 39 of the Trading With the
6 Enemy Act of October 6, 1917, as amended, as provided by
7 section 13 (a) of said War Claims Act of 1948.

8 ADMINISTRATIVE EXPENSES

9 For expenses necessary for the War Claims Commission,
10 including services as authorized by section 15 of the Act
11 of August 2, 1946 (5 U. S. C. 55a); expenses of attend-
12 ance at meetings concerned with the purposes of this appro-
13 priation; not to exceed ~~\$5,000~~ \$7,520 for expenses of travel;
14 and advances or reimbursements to other Government agen-
15 cies for use of their facilities and services in carrying out
16 the functions of the Commission; ~~\$750,000~~ \$850,000, to be
17 derived from the war claims fund created by section 13 (a)
18 of the War Claims Act of 1948 (Public Law 896, approved
19 July 3, 1948).

20 INDEPENDENT OFFICES—GENERAL PROVISIONS

SEC. 102. Where appropriations in this title are expendable for travel expenses of employees and no specific limitation has been placed thereon, the expenditures for such travel expenses may not exceed the amount set forth

1 therefor in the budget estimates submitted for the appro-
2 priations.

3 SEC. 103. Where appropriations in this title are expend-
4 able for the purchase of newspapers and periodicals and no
5 specific limitation has been placed thereon, the expenditures
6 therefor under each such appropriation may not exceed the
7 amount of \$50: *Provided*, That this limitation shall not apply
8 to the purchase of scientific, technical, trade, or traffic periodi-
9 cals necessary in connection with the performance of the
10 authorized functions of the agencies for which funds are
11 herein provided.

12 SEC. 104. No part of any appropriation contained in this
13 title shall be available to pay the salary of any person filling
14 a position, other than a temporary position, formerly held
15 by an employee who has left to enter the Armed Forces of
16 the United States and has satisfactorily completed his period
17 of active military or naval service and has within ninety days
18 after his release from such service or from hospitalization
19 continuing after discharge for a period of not more than one
20 year made application for restoration to his former position
21 and has been certified by the Civil Service Commission as
22 still qualified to perform the duties of his former position and
23 has not been restored thereto.

24 SEC. 105. Appropriations contained in this title, avail-

1 able for expenses of travel shall be available, when spe-
2 cifically authorized by the head of the activity or establish-
3 ment concerned, for expenses of attendance at meetings of
4 organizations concerned with the function or activity for
5 which the appropriation concerned is made: *Provided*, That
6 appropriations contained in this title shall be available for the
7 examination of estimates of appropriations and activities in
8 the field without regard to limitations on travel contained in
9 such appropriations.

10 SEC. 106. No part of any appropriations made available
11 by the provisions of this title shall be used for the purchase
12 or sale of real estate or for the purpose of establishing new
13 offices outside the District of Columbia: *Provided*, That this
14 limitation shall not apply to programs which have been
15 approved by the Congress and appropriations made therefor.

16 SEC. 107. No part of any appropriation contained in this
17 title shall be used to pay the compensation of any employee
18 engaged in personnel work in excess of the number that
19 would be provided by a ratio of one such employee to one
20 hundred and thirty-five, or a part thereof, full-time, part-time,
21 and intermittent employees of the agency concerned: *Pro-*
22 *vided*, That for purposes of this section employees shall be
23 considered as engaged in personnel work if they spend half
24 time or more in personnel administration consisting of direc-
25 tion and administration of the personnel program; employ-

1 ment, placement, and separation; job evaluation and clas-
2 sification; employee relations and services; training; wage
3 administration; and processing, recording, and reporting.

4 SEC. 108. None of the sections under the head "In-
5 dependent offices, General provisions" in this title shall apply
6 to the Housing and Home Finance Agency.

7 TITLE II—CORPORATIONS

8 The following corporations and agencies, respectively,
9 are hereby authorized to make such expenditures, within the
10 limits of funds and borrowing authority available to each such
11 corporation or agency and in accord with law, and to make
12 such contracts and commitments without regard to fiscal year
13 limitations as provided by section 104 of the Government
14 Corporation Control Act, as amended, as may be necessary
15 in carrying out the programs set forth in the Budget for the
16 fiscal year 1954 for each such corporation or agency, except
17 as hereinafter provided:

18 HOUSING AND HOME FINANCE AGENCY

19 Federal National Mortgage Association: Not to exceed
20 ~~\$2,300,000~~ \$4,200,000 shall be available for administrative
21 expenses, which shall be on an accrual basis, and shall be ex-
22 clusive of interest paid, depreciation, properly capitalized
23 expenditures, fees for servicing mortgages, expenses (includ-
24 ing services performed on a force account, contract, or fee
25 basis, but not including other personal services) in connec-

tion with the acquisition, protection, operation, maintenance, improvement, or disposition of real or personal property belonging to said Association or in which it has an interest, cost of salaries, wages, travel, and other expenses of persons employed outside of the continental United States, expenses of services performed on a contract or fee basis in connection with the performance of legal services, and all administrative expenses reimbursable from other Government agencies; and said Association may utilize and may make payment for services and facilities of the Federal Reserve banks and other agencies of the Government: *Provided*, That the distribution of administrative expenses to the accounts of the Association shall be made in accordance with generally recognized accounting principles and practices: *Provided further*, That not to exceed ~~\$95,750~~ \$120,600 shall be available for expenses of travel: *Provided further*, That administrative expenses not under limitation for the purposes set forth in the budget schedules for the fiscal year 1954 shall not exceed \$151,000.

Office of the Administrator (housing loan programs): Not to exceed ~~\$411,250~~ \$640,000 shall be available for all administrative expenses, which shall be on an accrual basis, of carrying out the functions of the Office of the Administrator under the program of housing loans to educational institutions (title IV of the Hous-

1 ing Act of 1950, 12 U. S. C. 1749-1749d), the
2 prefabricated housing program (sections 102, 102a, 102b,
3 and 102c of the Housing Act of 1948, as amended,
4 12 U. S. C. 1701g-1701g-3), and the Alaska housing pro-
5 gram (sections 3, 4, and 5 of the Alaska Housing Act, as
6 amended, 48 U. S. C. 484, 484a, and 484b), but this
7 amount shall be exclusive of costs of services performed on
8 a contract or fee basis in connection with termination of
9 contracts and legal services on a contract or fee basis and
10 of payment for services and facilities of the Federal Reserve
11 banks or any member thereof, the Federal home-loan banks,
12 and any insured bank within the meaning of the Act creating
13 the Federal Deposit Insurance Corporation (Act of August
14 23, 1935, as amended, 12 U. S. C. 264) which has been
15 designated by the Secretary of the Treasury as a depository
16 of public money of the United States: *Provided*, That not
17 to exceed ~~\$26,330~~ \$27,600 shall be available for expenses
18 of travel.

19 Home Loan Bank Board: Not to exceed a total of
20 \$775,000 shall be available for administrative expenses of
21 the Home Loan Bank Board, and shall be derived from
22 funds available to the Home Loan Bank Board, includ-
23 ing those in the Home Loan Bank Board revolving fund
24 and receipts of the Federal Home Loan Bank Administra-
25 tion, the Federal Home Loan Bank Board, or the

1 Home Loan Bank Board for the current fiscal year
2 and prior fiscal years, and the Board may utilize and
3 may make payment for services and facilities of the Federal
4 home-loan banks, the Federal Reserve banks, the Federal
5 Savings and Loan Insurance Corporation, and other agencies
6 of the Government: *Provided*, That all necessary expenses
7 in connection with the conservatorship of institutions insured
8 by the Federal Savings and Loan Insurance Corporation and
9 all necessary expenses (including services performed on a
10 contract or fee basis, but not including other personal serv-
11 ices) in connection with the handling, including the pur-
12 chase, sale, and exchange, of securities on behalf of Federal
13 home-loan banks, and the sale, issuance, and retirement of,
14 or payment of interest on, debentures or bonds, under the
15 Federal Home Loan Bank Act, as amended, shall be con-
16 sidered as nonadministrative expenses for the purposes here-
17 of: ~~*Provided further*, That not to exceed \$20,000~~
18 ~~shall be available for expenses of travel: *Provided further*,~~
19 That notwithstanding any other provisions of this Act,
20 except for the limitation in amount hereinbefore speci-
21 fied, the administrative expenses and other obligations of the
22 Board shall be incurred, allowed, and paid in accordance
23 with the provisions of the Federal Home Loan Bank Act
24 of July 22, 1932, as amended (12 U. S. C. 1421-1449) :

1 *Provided further*, That the nonadministrative expenses for
2 the examination of Federal and State chartered institutions
3 shall not exceed \$2,085,000.

4 Federal Savings and Loan Insurance Corporation: Not
5 to exceed \$455,000 shall be available for adminis-
6 trative expenses, which shall be on an accrual basis and
7 shall be exclusive of interest paid, depreciation, properly
8 capitalized expenditures, expenses in connection with liqui-
9 dation of insured institutions, liquidation or handling of assets
10 of or derived from insured institutions, payment of insurance,
11 and action for or toward the avoidance, termination, or
12 minimizing of losses in the case of insured institutions,
13 legal fees and expenses, and payments for administrative
14 expenses of the Home Loan Bank Board determined by said
15 Board to be properly allocable to said Corporation, and said
16 Corporation may utilize and may make payment for services
17 and facilities of the Federal home-loan banks, the Federal
18 Reserve banks, the Home Loan Bank Board, and other agencies
19 of the Government: *Provided*, That not to exceed ~~\$4,370~~
20 ~~\$6,500~~ shall be available for expenses of travel: *Provided*
21 *further*, That notwithstanding any other provisions of this
22 Act, except for the limitation in amount hereinbefore speci-
23 fied, the administrative expenses and other obligations of
24 said Corporation shall be incurred, allowed and paid in

1 accordance with title IV of the Act of June 27, 1934, as
2 amended (12 U. S. C. 1724-1730).

3 Expenses, liquidation of Home Owners' Loan Corpo-
4 ration: Not to exceed \$10,000 of the unobligated balance
5 remaining of funds made available under this head in the
6 Independent Offices Appropriation Act, 1952, is hereby
7 continued available until October 31, 1953.

8 Federal Housing Administration: In addition to the
9 amounts available by or pursuant to law (which shall be
10 transferred to this authorization) for the administrative ex-
11 penses of the Federal Housing Administration in carrying
12 out duties imposed by or pursuant to law, not to exceed
13 ~~\$5,045,590~~ \$5,600,000 of the various funds of the Federal
14 Housing Administration shall be available for expenditure, in
15 accordance with the National Housing Act, as amended
16 (12 U. S. C. 1701): *Provided*, That, except as herein
17 otherwise provided, all expenses and obligations of
18 said Administration shall be incurred, allowed, and paid in
19 accordance with the provisions of said Act: *Provided fur-*
20 *ther*, That not to exceed ~~\$131,000~~ \$184,500 shall be avail-
21 able for expenses of travel: *Provided further*, That funds
22 available for expenditure shall be available for contract actu-
23 arial services (not to exceed \$1,500) ; and purchase of pe-
24 riodicals and newspapers (not to exceed ~~\$500~~ \$1,500) : *Pro-*
25 *vided further*, That expenditures for nonadministrative ex-

1 penses classified by section 2 of Public Law 387, approved
 2 October 25, 1949, shall not exceed ~~\$27,500,000~~ \$25,000,-
 3 000: *Provided further,* That the position of Assistant Com-
 4 missioner, established pursuant to section 213 (f) of the
 5 National Housing Act, as amended, is no longer authorized.

6 Public Housing Administration: Of the amounts availa-
 7 ble by or pursuant to law for the administrative expenses of
 8 the Public Housing Administration in carrying out duties
 9 imposed by or pursuant to law including funds appropriated
 10 by title I of this Act and funds appropriated under the head
 11 "Defense Housing" not to exceed ~~\$8,973,000~~ \$13,025,000
 12 shall be available for such expenses, including not to exceed
 13 ~~\$685,300~~ \$916,000 for expenses of travel; and expenses of
 14 attendance at meetings of organizations concerned with the
 15 work of the Administration: *Provided,* That necessary ex-
 16 penses of providing representatives of the Administration at
 17 the sites of non-Federal projects in connection with the con-
 18 struction of such non-Federal projects by public housing agen-
 19 cies with the aid of the Administration, shall be compensated
 20 by such agencies by the payment of fixed fees which in the
 21 aggregate in relation to the development costs of such projects
 22 will cover the costs of rendering such services, and expendi-
 23 tures by the Administration for such purpose shall be consid-
 24 ered nonadministrative expenses, and funds received from
 25 such payments may be used only for the payment of necessary

1 expenses of providing representatives of the Administration
 2 at the sites of non-Federal projects: *Provided further,*
 3 That all expenses of the Public Housing Administration
 4 not specifically limited in this Act, in carrying out its
 5 duties imposed by or pursuant to law, shall not exceed
 6 \$35,962,600: *Provided further,* That not to exceed \$15,000
 7 of funds made available by the Act of June 29, 1936 (49
 8 Stat. 2035) shall be available for necessary expenses, includ-
 9 ing administrative expenses, of the Public Housing Admin-
 10 istration in carrying out the provisions of the Act of May
 11 19, 1949 (Public Law 65) ~~*Provided further,* That during~~
 12 the fiscal year 1954 the Commissioner shall make every
 13 effort to refund all local bonds held by the Public Housing
 14 Administration under the United States Housing Act of 1937,
 15 as amended.

16 CORPORATIONS—GENERAL PROVISIONS

17 SEC. 202. No part of the funds of, or available for expen-
 18 diture by, any corporation or agency included in this title
 19 shall be used to pay the compensation of any employee
 20 engaged in personnel work in excess of the number that
 21 would be provided by a ratio of one such employee to one
 22 hundred and thirty-five, or a part thereof, full-time, part-
 23 time, and intermittent employees of the agency concerned:
 24 *Provided,* That for purposes of this section employees shall
 25 be considered as engaged in personnel work if they spend

1 half-time or more in personnel administration consisting of
2 direction and administration of the personnel program;
3 employment, placement, and separation; job evaluation and
4 classification; employee relations and services; training; com-
5 mittees of expert examiners and boards of civil-service
6 examiners; wage administration; and processing, recording,
7 and reporting.

8 TITLE III—GENERAL PROVISIONS

9 SEC. 301. No part of any appropriation contained in
10 this Act, or of the funds available for expenditure by any
11 corporation included in this Act, shall be used to pay the
12 salary or wages of any person who engages in a strike
13 against the Government of the United States or who is a
14 member of an organization of Government employees that
15 asserts the right to strike against the Government of the
16 United States, or who advocates, or is a member of an
17 organization that advocates, the overthrow of the Govern-
18 ment of the United States by force or violence: *Provided*,
19 That for the purposes hereof an affidavit shall be considered
20 prima facie evidence that the person making the affidavit
21 has not contrary to the provisions of this section engaged in
22 a strike against the Government of the United States, is
23 not a member of an organization of Government employees
24 that asserts the right to strike against the Government of the
25 United States, or that such person does not advocate, and is

1 not a member of an organization that advocates, the over-
2 throw of the Government of the United States by force or
3 violence: *Provided further*, That any person who engages
4 in a strike against the Government of the United States
5 or who is a member of an organization of Government
6 employees that asserts the right to strike against the Govern-
7 ment of the United States, or who advocates, or who is a
8 member of an organization that advocates, the overthrow
9 of the Government of the United States by force or violence
10 and accepts employment the salary or wages for which are
11 paid from any appropriation or fund contained in this Act
12 shall be guilty of a felony and, upon conviction, shall be
13 fined not more than \$1,000 or imprisoned for not more than
14 one year, or both: *Provided further*, That the above penalty
15 clause shall be in addition to, and not in substitution for, any
16 other provisions of existing law.

17 SEC. 302. No part of any appropriation contained in
18 this Act, or of the funds available for expenditure by any
19 corporation or agency included in this Act, shall be used for
20 publicity or propaganda purposes designed to support or
21 defeat legislation pending before the Congress.

22 SEC. 303. (a) No part of the money appropriated by
23 this Act to any department, agency, or corporation or made
24 available for expenditure by any department, agency, or
25 corporation which is in excess of 75 per centum of the

1 amount required to pay the compensation of all persons
2 the budget estimates for personal services heretofore sub-
3 mitted to the Congress for the fiscal year 1954 contemplated
4 would be employed by such department, agency, or
5 corporation during such fiscal year in the performance of—

6 (1) functions performed by a person designated as
7 an information specialist, information and editorial
8 specialist, publications and information coordinator, press
9 relations officer or counsel, photographer, radio expert,
10 television expert, motion picture expert, or publicity ex-
11 pert, or designated by any similar title, or

12 (2) functions performed by persons who assist
13 persons performing the functions described in (1) in
14 drafting, preparing, editing, typing, duplicating, or dis-
15 seminating public information publications or releases,
16 radio or television scripts, magazine articles, photographs,
17 motion pictures, and similar material,

18 shall be available to pay the compensation of persons per-
19 forming the functions described in (1) or (2).

20 (b) This section shall not apply: To persons employed
21 by the General Services Administration in the performance
22 of functions or related assisting or supporting functions in
23 connection with the publication of the Federal Register, or
24 to persons engaged in functions of the Civil Service Com-
25 mission related to (1) the preparation and issuance of ma-

1 terials relating to the recruitment of personnel for the Federal
2 service, and (2) the compilation of the Official Register of
3 the United States, or to any department, agency, or corpora-
4 tion which does not employ more than two persons at any
5 one time in the performance of functions described in para-
6 graphs (1) or (2) of subsection (a) of this section.

7 SEC. 304. This Act may be cited as the "First Inde-
8 pendent Offices Appropriation Act, 1954".

 Passed the House of Representatives April 22, 1953.

Attest:

LYLE O. SNADER,

Clerk.

83^d CONGRESS
1ST SESSION

H. R. 4663

[Report No. 237]

AN ACT

Making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1954, and for other purposes.

APRIL 23 (legislative day, APRIL 6), 1953

Read twice and referred to the Committee on Appropriations

MAY 12, 1953

Reported with amendments

Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

Issued May 18, 1953

For actions of May 15, 1953

83rd-1st, No. 89

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OFFICE OF BUDGET AND FINANCE
(For Department Staff Only)

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HIGHLIGHTS: Senate debated 1st independent offices appropriation bill. Sen. Carlson introduced bill to provide soil-conservation aids. Senate committee ordered reported bill excluding major officials from leave act. Sen. Butler, Md., urged removal of all policy-making positions from civil service.

SENATE

1. **APPROPRIATIONS.** Began debate on H. R. 4663, first independent offices appropriation bill for 1954, adopting all committee amendments. It was agreed by unanimous consent that any committee amendment adopted may be reconsidered at the request of any Senator. (pp. 5142-3, 5145-50.) When this bill was reported, the committee made the following statements in its report:

Retirement

"The committee was advised that the new Chairman of the Commission was agreeable to a deferment of appropriations to the retirement fund in view of the study now being made of the overall retirement program of the Government, since there is sufficient in the fund to pay the normal cost of disbursements from the fund in 1954. In agreeing with the House action in eliminating payments to the fund for normal cost and for interest, the committee points out that such elimination is merely a deferral of payment until the proper amount may be determined. The results of the overall study of retirement programs are expected by the end of the present calendar year."

Buildings

"...the committee agrees with the statement in the House report that the Government will not only obtain more economical, but better service by retaining competitively independent architects for the design and construction of all public buildings, with only a minimum supervisory architectural staff to be maintained in the buildings design and supervision service."

Real estate inventory

"The committee is advised that the Federal Government is completely without an inventory of its real property holdings, that each agency usually keeps track only of its own acquisitions and knows nothing of suitable acquisitions that may already be available in other agencies of the Government. Properly prepared and kept current, such an inventory could be of real value in effecting economies in acquisitions where land or space may be available from other agencies, and could be helpful in many other ways in the complex operations of the Federal Government.

"Therefore, within the funds available to them, the committee requests the General Services Administration to begin the work of compiling such an inventory of Federal real estate and requests the General Accounting Office to work out and put into operation the necessary accounting and reporting procedures to keep such inventory current."

Typewriter purchases

"The committee recommends that the words 'State governments' be deleted from the definition of most favored customer on which the 90 percent limitation as to price is based for the purchase of typewriters by Government agencies. The committee is advised that the inclusion of such words would give to State governments a greater advantage in price than is enjoyed by the Federal Government, because of the payment of excise taxes."

Transportation

"The committee believes that better organization and resulting economies can be effected in the work of the Commission through adoption of many of the recommendations of the report of the Wolf Management Engineering Co. submitted last December, and to this end directs the appointment of a managing director and the delegation to him of the management functions of the several commissioners."

Research

"The amount provided is for the following:

Research policy development, and services: Development of national science policy - \$500,000; Dissemination of scientific information - \$175,000; Maintenance of information on scientific personnel - \$125,000.

Research support: Biological and medical sciences - \$3,092,000; Mathematical, physical and engineering sciences - 3,092,000.

Training of scientific manpower: Graduate fellowships - \$1,866,000; Research education in the sciences - \$100,000.

Operating costs - \$1,050,000."

2. INFORMATION. The Post Office and Civil Service Committee ordered reported (but did not actually report) S. 971, authorizing films and related material for educational use to be transmitted through the mails at the book rate (p. D422).
3. ELECTRIFICATION. Sens. Magnuson and Morse criticized Secretary McKay's decision on Hells Canyon Dam and discussed its effects on the farmers in the area and on the production of low-cost fertilizer (pp. 5154-62).
4. PERSONNEL. The Post Office and Civil Service Committee ordered reported (but did not actually report) with amendments H. R. 4654, exempting certain top officials from the Annual and Sick Leave Act of 1951 (p. D422).

He had as fine a sense of timing as anyone I ever knew in political life. He would, so to speak, nurse along a bill in which he was vitally interested, until he thought the time was ripe and then he would concentrate every last ounce of energy on seeing that it was enacted.

He was able in an uncanny way to sense problems and issues long before their time. In 1927, when the country was preoccupied with the stock ticker and when even the economists were viewing the economy through leather spectacles, he foresaw the economic depression which was to come and introduced the Employment Stabilization Act, which became law in 1933. At about the same time he proposed the Employment Service Act, which became law in 1933, and is still operating; also the act which provided for the gathering of employment statistics which was enacted in 1930.

So much emphasis is put, and deservedly so, on his achievements in behalf of the wage earner, I think it is worth noting that Bob Wagner's interest in people, as might be expected, extended to all people, whether they were businessmen, bankers, farmers, or whatever they were. He was interested in seeing to it that they all could make their fair contribution to society and receive from it what was their just due. He participated actively in the creation of the RFC, which saved the life of some of the great railroad and business corporations of the land in the early thirties. He was one of the chief sponsors of the Home Owners' Loan Corporation, which not only saved the homes of so many American families but kept our banks and savings institutions solvent. He worked hard, alongside the late and beloved Senator from Michigan, Arthur Vandenberg, for the enactment of the Federal Deposit Insurance Corporation Act. I recall very well how effectively Senator Vandenberg and Senator Wagner worked together.

Senator Wagner sponsored the law greatly expanding the authority of the Export-Import Bank; he was 1 of the 4 representatives of the United States at the Bretton Woods Conference, and he played a leading role in establishing the International Bank.

We are all familiar with his pioneering work in slum clearance and public housing and his sponsorship of the United States Housing Act of 1937. What is generally not remembered is his vital interest and continuous and successful efforts in extending private-home ownership and in the encouragement of private enterprise in housing. It was Bob Wagner who, as much as anyone, was responsible for the success of the FHA. He prophetically visualized its role almost 20 years ago, in 1934, when he stated:

The National Housing Act (Federal Housing Administration) will stimulate the flow of several billion dollars of private capital into the repair and improvement of existing homes. It will insure mortgage investments. It will stimulate the organization of private national associations to furnish liquidity to mortgage securities. It will bolster the building and loan associations that are the backbone of small-home financing.

All this is to be accomplished through the medium of private business, aided by the Government if necessary, but encouraged above all to stand upon its own feet and contribute, as it has in the past, the largest aid to American prosperity.

In 1928 the sad plight of the farmers, which he observed and was so concerned about, was one of the signs he pointed to as foreshadowing the depression he predicted. He supported during his legislative career every measure to aid and assist the farmer. He was the author of the Farm Mortgage Relief Act of 1933, believed in and fought for farm parity and the soil-conservation program.

It was my privilege during his last years in the Senate, when he was ill, to take over much of his burdens as ranking minority member of the Banking and Currency Committee during the 80th Congress. Although he was aware that we had strong differences on some issues, he never hesitated to delegate to me full discretion in making the important decisions I had to make as the ranking majority member of the committee in those days.

I shall always be proud of his confidence in me, when he asked me to assume the chairmanship of the committee instead of himself in the 81st Congress. It was my great satisfaction and the achievement of a goal that he long looked forward to, when, as chairman of the Banking and Currency Committee, I, with several other Senators, managed the Housing Act of 1949 successfully through the Senate and helped in enacting it into law. I hope it will serve as a lasting tribute to a truly great man.

The one thing Bob Wagner was more interested in than in his work, if anyone can imagine that, was his family, and for the last 34 years, since his wife died in 1918, his family consisted of his son, Bob, Jr.

In expressing my sympathy to you, Bob, Jr., and your lovely family, I can now say that of all the honors ever bestowed on your father, none were so precious to him as those which were bestowed upon you. May you, therefore, follow in his way and bring increasing honor and success to the great name of Robert Wagner.

Mr. President, I want to pay this tribute to Bob Wagner because of the close association I had with him in the 80th Congress when he was ill and left authority with me. As I said, when the 81st Congress was organized, Bob Wagner was to be the chairman of the Banking and Currency Committee. At that time he telephoned me to discuss the chairmanship of the committee and told me that he had decided not to assume the chairmanship because he had full confidence in me, and knew that I would operate it in the best interests of the American people.

Later in that session Senator Wagner resigned and Governor Dewey appointed to the Senate the gentleman who is now the distinguished Secretary of State. Before he resigned his son, Bob, called me and told me that the Senator wanted me to know that it was not so diffi-

cult to resign knowing that I was carrying on. For this confidence evidenced by a great man I shall forever be proud.

Mr. MURRAY. Mr. President, I wish to join with my colleagues in paying tribute to the memory of former Senator Bob Wagner, who was an intimate friend of mine from the time I became a Member of the Senate.

Mr. President, when the history of the United States Senate during the 20th century is recorded, no name will rank higher than that of the Senator whose passing we mourn today, the courageous, conscientious and liberal-minded Senator from New York, Robert F. Wagner. During his 23 years in this body, Senator Wagner became the vigorous and successful champion of the underprivileged, the poverty stricken, and the exploited. As the sponsor of essential social and economic reforms in that period, he won recognition as an outstanding spokesman of enlightened and humanitarian government.

In 1927, when few were able to foresee the storm clouds on the horizon, it was Bob Wagner who pointed out the danger of a threatened depression and called for advance planning to prevent it. Finally, when the collapse came in 1929, followed by unemployment, hunger, and fear, it was Bob Wagner who led the fight for social reforms, relief, and public works. When his old friend and lifelong associate, Franklin D. Roosevelt, entered the White House in 1933, it was Bob Wagner who took the leadership in the major legislative programs of the New Deal, resulting in far-reaching reforms in our economic and social life.

Today everyone refers to the National Labor Relations Act of 1937 as the Wagner Act. But there are many Wagner acts. The Social Security Act was a Wagner act. The United States Housing Act was a Wagner act. The minimum-wage law was largely a Wagner act. The legislation setting up the Federal Housing Administration was a Wagner act.

I shall not undertake to name all the important acts for which he was responsible.

One of the greatest privileges of my life was to work closely with Senator Wagner during the trying period of the great depression. I was a member of the Labor Committee when he was advocating the passage of the National Labor Relations Act. Senator Wagner and I were cosponsors of the first health-insurance proposals, which were considered by the Labor and Public Welfare Committee during the period when I was chairman. Senator Wagner and I were cosponsors, together with other Senators, of the full-employment bill, and I came before the Banking and Currency Committee, which he chaired, to advocate action upon the legislation which is known today as the Employment Act of 1946.

All of us associated with Bob Wagner during those stirring historic years were impressed by the courage and convincing eloquence with which he met the attacks of those who opposed his progressive leg-

islative proposals. He never allowed himself to be dissuaded, discouraged, or deceived by the fog of propaganda resorted to so often by his adversaries. When he and the legislative programs he sponsored were subjected to misrepresentation, abuse, and vilification he declined to resort to personalities or invectives. Always he answered patiently, with sober and convincing argument on the issues as he saw them.

He never was discouraged by a losing fight. He stood his ground and looked forward to another day. He had a sublime faith that in the course of time right would triumph. Buttressed by this faith, he again and again saw measures which had for many years been opposed by overwhelming odds finally enacted into law. He tasted the ironic joy in his later years of hearing many of his legislative triumphs referred to as Wagner Acts—acts praised in glowing terms by some who had at first opposed them as radical.

A factual and moving description of Senator Wagner's approach to legislative problems has recently been written by his former executive assistant and associate, Leon H. Keyserling. Let me quote briefly from this article, which appears in the May 18 issue of the *New Republic*:

Rarely has a man in public life rejected so vigorously all weapons except the truth as he saw it. But when armed with a just cause, he ignored the political risks and personal burdens of fighting for reforms before they became popular.

Love of the ancient safeguards which a free society must hold fast to even while rushing to solve new problems; unwillingness to use distortion for political advantage; courage to forego one's own political superiors on a vital party issue where one believes them to be mistaken; determination to fight for one's beliefs before they are accepted; a burning passion to help the underdog without wronging the more fortunate; lonely withdrawal from the material and social advantages open to a successful man, in order to concentrate upon his life's work—these were rare qualities, not in an idealist satisfied just to be right without being effectual, but in a practical man driven by an insatiable desire to get results.

Mr. President, many outstanding statesmen have served in this body during recent decades. I am proud of the achievements of my predecessor, Senator Thomas J. Walsh, of Montana, recognized as an outstanding champion and authority on constitutional law. I shall always treasure my associations with the great Senator from Nebraska, the man to whom credit belongs for the creation of the TVA, Senator George Norris. I shall always honor the memory of young Bob La Follette, who conducted the civil liberties investigation for the Senate Labor Committee. I can never forget the effective work of David I. Walsh, of Massachusetts, chairman of the Senate Labor Committee, who led the fight for the Wagner Act in the committee.

But the name of Senator Wagner stands out as that of a people's Senator. He was a senator whose legislative achievements have made this country a better place in which to live. He was a Senator who did more than any other Member of Congress in this century to make our Government responsive to the

needs of the people. His name will ever have a high place in the history of our democratic institutions.

I wish to extend to his distinguished son, Robert Wagner, of New York, and to all his relatives, my heartfelt sympathy.

Mr. President, I ask unanimous consent to have printed in the *RECORD* at the conclusion of my remarks the article entitled "Senator Wagner: Government for the People," by Leon H. Keyserling, which appeared in the *New Republic* of May 18, 1953, and from which I have quoted.

There being no objection, the article was ordered to be printed in the *RECORD*, as follows:

SENATOR WAGNER: GOVERNMENT FOR THE PEOPLE

(By Leon H. Keyserling)

Robert F. Wagner, who died on May 4, was born in Germany in 1877. Brought to New York at the age of 8, he lived with his penniless parents in the basement where they labored, battled his way through the years to a law diploma, rose rapidly to high elective and judicial offices in the State, and served 23 successive years as a United States Senator. During a vital period, he introduced and guided to enactment a more varied and significant group of laws than any other Senator in our history.

To review briefly his 40 years of public service is impossible. During his 6 most active years, he sponsored the Social Security Act; Home Owners Loan legislation; Public Works Administration; United States Employment Service; National Labor Relations Act; Railroad Retirement Act; Civilian Conservation Corps; United States Housing Act (slum clearance and low-rent housing); National Industrial Recovery Act; National Housing legislation (FHA); various unemployment relief laws; and a host of other measures.

Proponent of so much legislation associated with the heyday of the New Deal, Wagner was far more than the legislative agent of a preordained program. When he introduced the National Industrial Recovery Act in early 1933, its great public-works features were a synthesis of public works and relief bills which he had been agitating since 1930. The effort to deal comprehensively with prices and wages, production and industrial relations, was attuned to his long search for a balanced program of recovery and reform rather than a panacea such as the bill for a 30-hour week to share unemployment instead of combating it. Despite shortcomings, the NRA laid foundations for improved economic conditions which still endure.

Years before introducing the social security bill in 1935, Senator Wagner sponsored the first resolution ever presented in the Congress to study unemployment insurance; between 1930 and 1933 he presented bills to measure unemployment, alleviate its hardships, spread its costs, and counter it affirmatively with industrial stabilization measures. In two of his later efforts—the National Labor Relations and the United States Housing Acts—he encountered not only powerful expected opposition, but also the more heart-breaking experience of apathy or dissent running to the highest level of the executive structure.

Senator Wagner hated to indict individuals or groups; he saw many sufferers but few malefactors. He never tried to win temporary—and in a democracy, dangerous—majority by pitting one interest against another. Seeking to improve society rather than to punish or reform individuals, he aimed his appeal at the reason of all fair-minded men by programs geared to the ultimate welfare of all.

While radical in his determination to get to the heart of matters, in certain fundamentals Wagner was a fundamentalist. He instinctively disliked the court-packing plan, not because he thought judges holier than other men, but because he thought the basic framework of our free institutions more sacrosanct than any man.

Rarely has a man in public life rejected so vigorously all weapons except the truth as he saw it. But when armed with a just cause, he ignored the political risks and personal burdens of fighting for reforms before they became popular.

Love of the ancient safeguards which a free society must hold fast to even while rushing to solve new problems; unwillingness to use distortion for political advantage; courage to forego one's own political superiors on a vital party issue where one believes them to be mistaken; determination to fight for one's beliefs before they are accepted; a burning passion to help the underdog without wronging the more fortunate; lonely withdrawal from the material and social advantages open to a successful man, in order to concentrate upon his life's work—these were rare qualities, not in an idealist satisfied just to be right without being effectual, but in a practical man driven by an insatiable desire to get results.

Even now, there are millions of families living in decent homes which would not have been built but for his efforts. There are tens of millions of workers who enjoy an industrial democracy which but for him would not be so full. There are thousands of businesses and farms and banks alive and thriving, because of his numerous measures designed to afford them direct aid and stimuli. There is a throbbing \$360 billion economy which, but for the many measures bearing his imprint, would not be so strong or stable or just.

How different countless American lives would be today, if some quota in 1885 had prevented this boy of 8 from coming to these shores. And how important for our future it is that later members of the greatest deliberative body in the world measure up to the standards which Robert F. Wagner set.

Mr. MORSE. Mr. President, the political principles of Bob Wagner are eternal. They were based on a faith that man was created in the divine image. He believed in the unanswerable truth that the objective of free government by free men is to promote and protect human values. He belonged to the liberal tradition in American politics. Abuse, criticism, smear—and he was subject to such attacks almost constantly—did not deter him for standing for what he thought was right.

Bob Wagner believed that his primary duty in the United States Senate was to exercise an honest independence of judgment on the merits of issues and in accordance with the facts as he found them, irrespective of political pressure. He sat in the United States Senate as a free man. His monument is his record of liberalism in the Senate. We can best memorialize him by walking in his footsteps.

FIRST INDEPENDENT OFFICES
APPROPRIATIONS, 1954

Mr. BUTLER of Maryland obtained the floor.

Mr. HENDRICKSON. I suggest the absence of a quorum.

The VICE PRESIDENT. Does the Senator from Maryland yield for that purpose?

Mr. BUTLER of Maryland. I yield for that purpose provided I do not lose the floor.

Mr. HENDRICKSON. That is the understanding.

The VICE PRESIDENT. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. HENDRICKSON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded, and that further proceedings under the call be dispensed with.

The PRESIDING OFFICER (Mr. FLANDERS in the chair). Without objection, it is so ordered.

Mr. SALTONSTALL. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. SALTONSTALL. What is the pending business?

The PRESIDING OFFICER. In accordance with the terms of the order previously entered, the Chair lays before the Senate House bill 4663, the first independent offices appropriation bill.

The Senate proceeded to consider the bill (H. R. 4663) making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1954, and for other purposes, which had been reported from the Committee on Appropriations, with amendments.

Mr. SALTONSTALL. Mr. President—

The PRESIDING OFFICER. The Senator from Maryland has the floor.

Mr. BUTLER of Maryland. Does the Senator from Massachusetts wish me to yield to him for any purpose?

Mr. SALTONSTALL. Mr. President, as I understand, the independent offices appropriation bill is now the pending business.

The PRESIDING OFFICER. The Senator is correct.

Mr. SALTONSTALL. Is consideration of committee amendments next in order?

The PRESIDING OFFICER. Under the terms of the unanimous-consent agreement previously entered into, only noncontroversial amendments are to be considered, and no vote is to be taken today.

THE PROBLEM OF POLICY-INFLUENCING PERSONNEL IN GOVERNMENT

Mr. BUTLER of Maryland. Mr. President, the Civil Service Commission recently outlined a proposal which would remove all policy-making and confidential governmental positions from the scope of the civil service system. This is a much needed and long overdue measure. It is by far the most significant plan of action in efforts to bring conformity and consistency in the policies and objectives of the new administration. The vital importance of these policy provoking and confidential positions can be readily emphasized by the following quotation from

the book *Witness* by Whittaker Chambers:

The simple fact is that when I took up my little sling and aimed at communism, I also hit something else. What I hit was the forces of that great socialist revolution, which in the name of liberalism, spasmodically, incompletely, somewhat formlessly, but always in the same direction, has been inching its ice cap over the Nation for two decades. * * * It was the forces of that revolution that I struck at the point of its struggle for power. And with that we come to the heart of the Hiss case and all its strange manifestations. No one could have been more dismayed than I at what I had hit, for though I knew it existed, I still had no adequate idea of its extent, the depth of its penetration, or the fierce vindictiveness of its revolutionary temper, which is a reflex of its struggle to keep and advance its political power.

It was the forces of this revolution that had smothered the Hiss case (and much else) for a decade, and fought to smother it in 1948. These were the forces that made the phenomenon of Alger Hiss possible; had made it possible for him to rise steadily in Government and to reach the highest post after he was already under suspicion as a Communist in many quarters, including Congress, and under the scrutiny of the FBI. Alger Hiss is only one name that stands for the whole Communist penetration of Government. He could not be exposed without raising the question of the real political temper and purposes of those who had protected and advanced him, and with whom he was so closely identified that they could not tell his breed from their own.

I hold no brief for Chambers as an individual, nor do I presume to temporize the transgressions of his life. Nonetheless, his creditability as a witness before congressional committees and the courts stands unimpeached, and we can gain much from revelations, such as these, in our vigorous and continuous fight against the subtle and often obtuse forces of creeping socialism, subversion, and communism.

This observation by Chambers illuminates a pivotal problem of immediate importance to the new Republican administration. It is the problem of policy-influencing personnel. While the majority of Federal employees are not only loyal and reliable but void of any desire or intent to bring about the "great socialist revolution" of which Chambers writes, there does exist a significant minority of Federal employees who during the past two administrations have striven purposely and resolutely to effectuate such a transformation. Because of the strategic positions the members of this minority occupy and because of their skill and experience, gained by many years of practice, in subverting Federal authority to their own ends, it can fairly be said that as long as they constitute a force in the Government no legislation, no matter how wisely drafted to further Republican programs, can be expected to maintain its character or to attain its goals.

This minority is to be found, chiefly, in those departments and agencies of the Government whose actions and policies affect, directly or indirectly, the economic and social institutions of the Nation. The members of this group include, in particular, professional em-

ployees, such as lawyers, economists, information specialists, writers, personnel experts, public relations people, and political and social science analysts. What percentage of professional or policy-influencing employees in the Government are members of the forces of that great socialist revolution to which Chambers refers, it is impossible to say. But experience and observation suggest that the percentage is sufficiently large to warrant the immediate and thoughtful attention of the new Republican administration.

Some members of the Socialist forces mentioned by Chambers still hold top positions in the Government as Presidential appointees, and since they may be expected to be replaced as a result of the change in administrations, they are not of primary concern. Most of them, however, occupy positions below the top and out of the public eye, ranging from confidential assistants, division heads, and section chiefs to minor and obscure subordinates. These should be of the utmost concern to the new Republican administration. It is upon them, unless replaced or neutralized, that the Republican appointees, who are necessarily less expert and experienced in government, will depend to a great extent for information, advice, and assistance in the performance of the innumerable duties of their offices. Government today is a system of wheels within wheels, wherein the small and obscure wheels grind out in great part the vast bulk of the decisions and policies for which the major and known wheels are ultimately responsible. Hence, if the policies and decisions of the new Republican administration are not to be frustrated, it will be necessary to remove from the Government whomever among the small and obscure wheels may duly and fairly be shown to be Socialists in ideology and purpose, and replace them with personnel who are free of any anti-capitalist, procollectivist bias.

How does one identify the Socialists in the Government? At the outset it cannot be sufficiently emphasized that these people do not call themselves Socialists and that for the most part they do not belong to the Socialist Party. They are always liberals, as Chambers points out, and it is always in the name of liberalism that they speak and act. But that these people are Socialists, or more accurately crypto-Socialists, since they mask their socialism under another guise, is plainly revealed by certain basic assumptions which they fervidly profess and which have their origin in socialism. Among these assumptions are: Government is good and to be expanded; business is evil and to be regimented; labor unions are good, with the CIO better than the A. F. of L.; employers are wicked; the Federal Government, at least since 1932, is progressive, and should increasingly supplant the States which are regarded as reactionary and obsolete; public ownership is better than private enterprise which is looked upon as selfish and corrupt; wages are good, profits are sinful; public welfare measures should replace private charity; the executive branch of the Federal Government, and in particular the regulatory agencies thereof,

should be given more power and wider discretion, the Congress and the courts should be subordinated and curtailed.

From these basic and related assumptions flow many corollaries which manifest themselves in all the areas of economic, social, and political action—race, religion, foreign affairs, disloyalty and subversion, civil liberties, industrial relations, public education, social welfare, and so on. On each of these problems the cryptosocialists in the Government adopt attitudes and courses of action which, it must be stressed, are designed not to effect a peaceful and equitable solution of the problems but to promote differences and antagonisms in order to render our traditional institutions unworkable, thereby making it easier to replace them with the centralized organs of a socialistic or collectivist state.

Thus, the cryptosocialists or collectivists are readily distinguishable from those who hold soundly progressive and truly liberal views in the areas of economic, social, and political action. The latter employees recognize both the desirability and the necessity, under appropriate circumstances, of social legislation and of governmental action in the socioeconomic sphere, but unlike the socialist liberals they view such legislation and action as desirable and necessary only if designed to solve specific and immediate problems, and if consonant with and in furtherance of the fundamental traditions and institutions of the Nation. The socialist liberals in the Government, on the other hand, regard legislation and governmental action in the socioeconomic sphere principally as steps toward attaining the goal of a socialized state, as entering wedges which are to be steadily expanded rather than discarded even when the necessity for them has disappeared. This ultimate objective of a socialized state is, of course, always carefully concealed. Each step toward socialization is defended as liberalism, and all opposition thereto is fought with a vicious skill designed to convict the opponents before the Nation as barbarous reactionaries motivated by greed and bent on oppression, exploitation, and fascism. It requires but little insight to realize how well this so-called liberal approach correlates with the goals and tactics of the Communists, and why the infiltration of the Government by the Communists has been so successful and so penetrating.

The socialist liberals in the Government, however, should not be confused with Communists, nor with Communist sympathizers, nor with the other subversives against whom the loyalty program is directed. The cryptosocialists are not disloyal or subversive in the sense that they are under the direction of a foreign power or that they subscribe to the violent overthrow of the American Government. But they are disloyal in the sense that they, whether from good or bad motives, seek to subvert the American system of limited government, free enterprise, and democratic society and replace it with a system hostile and alien to our traditions

as a nation. Because the socialist liberals operate under the camouflage of respectability, they may fairly be deemed a danger to the national interest, independent of the effective cover they provide for the Communist infiltration.

In the field of labor, which next to foreign affairs is the most sensitive and fertile field for Socialist infiltration, collectivist attitudes, as previously indicated, manifest themselves primarily in a prounion, antimanagement bias. This prounion bias for labor does not spring, it must be stressed, from any real concern for wage earners or for the great free American labor movement as such. Labor unions are regarded by the crypto-Socialists not as integral and wholesome factors in the national economy nor as legitimate voluntary organizations seeking the social and economic welfare of their members within the framework of the American system of private capitalism, but rather as instruments for attaining a Socialist state. While the leadership of the Republican Party consists of skilled politicians and capable administrators, it apparently is not fully conversant with the strength and the strategic location of the collectivist bureaucrats in the Government. The latter even now are seeking to hold on to their policy-influencing positions with an eye to future effectiveness and present subtle political sabotage. Toward this objective they are using any and all means that promise success. They assume the guise of Republicans; they ceaselessly reiterate the virtues of the merit system, the sanctity of civil-service status, and the public need for a trained, impersonal, nonpolitical body of Federal career servants; and label any effort to replace them as a vicious exercise of the spoils system. Any willingness to reply upon these people is fraught with great danger to the new Republican administration and, indeed, to the safety and welfare of the Nation. These people will never be Republicans, any more than they ever were Democrats of the traditional organizational type. Like the Communists their objective is a monopoly of power. Their technique is infiltration followed by elimination of their allies, and failing this, the destruction of the infiltrated organization. The Socialist liberals are fundamentally indifferent to party labels, but because of the favorable conditions which the New Deal and the Fair Deal created for their infiltration of the Government they have during the past 20 years adhered to the leftwing of the Democrat Party. There is no question then that if the Socialist liberals are permitted to function within the new Republican administration, they will do so with an eye to a future victory by the leftwing of the Democrat Party.

To meet the grave threat posed by the significantly large number of socialist liberals who now hold policy-influencing positions, techniques must be evolved and measures taken to prevent them from continuing to be a force in the Government. Above all, their appointive superiors as well as their replacements must learn to guard against subsequent reinfiltration by those who share the

same basic philosophies and views. In this connection effective aid can be rendered by the reliable and ideologically sophisticated, anticollectivist employees who have managed to survive the long years of the New Deal-Fair Deal and with many of whom I have consulted in the preparation of these remarks.

The people of America await conclusive and incontestible evidence of the change for which they overwhelmingly expressed themselves last November. There are already clear indications of impatience. In the formulation of policy and the translation of policy to positive action, it is essential that these sensitive positions be occupied by reliable and competent persons who are immutably sympathetic to the platform and objectives of the new administration. The success or failure of the Republican administration hinges upon the effective utilization of this fundamental of good organization.

Mr. MARTIN. Mr. President, will the Senator from Maryland yield for a question?

The PRESIDING OFFICER (Mr. FLANDERS in the chair). Does the Senator from Maryland yield to the Senator from Pennsylvania?

Mr. BUTLER of Maryland. I am happy to yield.

Mr. MARTIN. Mr. President, I have listened with great interest to the presentation by the distinguished Senator from Maryland of a very important subject, as it relates to America. Does not the Senator believe that Federal ownership, at the present time, of almost \$30 billion worth of property indicates a serious trend toward socialism in our country?

Mr. BUTLER of Maryland. It most certainly does. I wholeheartedly agree with the Senator from Pennsylvania.

Mr. MARTIN. Has not much of that trend been the result of having what is called career people in various important positions in the Federal Government?

Mr. BUTLER of Maryland. I agree wholeheartedly with the Senator from Pennsylvania, and I observe no attempt to discontinue that trend on the part of so-called career officials. On the contrary, they would take more and more of the people's rights, more and more of their land and property, and would centralize everything they could in Washington. Until we get rid of those who have such a tendency and who hold such views the new administration cannot possibly succeed.

Mr. MARTIN. Mr. President, will the Senator from Maryland yield further?

Mr. BUTLER of Maryland. I shall be happy to yield to the Senator from Pennsylvania.

Mr. MARTIN. Is not one of the reasons for the trend toward a highly centralized Government in Washington to the detriment of local government, which is our basic form of self-rule, the result of policies being established by men and women in Washington who occupy secondary roles and who are not generally observed personally by the public?

Mr. BUTLER of Maryland. That is perfectly true. I have talked to several

Cabinet members and to several heads of Government agencies. They find themselves utterly incapable of getting rid of employees who are not only making policy with which the heads of departments do not agree, but who are sabotaging the policies which such heads are trying to establish.

Mr. MARTIN. Is there any great organization in our country whose head does not have the opportunity to select all of his policymaking subordinates?

Mr. BUTLER of Maryland. In any organization the head of the organization must have control over the policymaking subordinates and those who occupy a confidential relationship with him in conducting his business. Otherwise, the situation is similar to that of a ship without a rudder. In other words, whenever an attempt is made to establish a policy, it fails because down the line the attempt is sabotage, or, coming up the line, there is a strong trend of thought exerted surreptitiously with which it is unable to cope.

Mr. MARTIN. Mr. President, I should like to make an observation, and then ask a question.

The Army of the United States is a great organization. Many Socialists have stated that the Army is a socialist organization because the members have equal rights and equal privileges, and have the same clothing, the same food, and so forth. However, is it not true that in the Army of the United States an officer is not permitted to be assigned indefinitely to troops, but occasionally is given administrative assignments? He may be kept a while in the United States, and then is assigned to a post in a foreign country; the officers are continually being moved. If that is not done, they become stale, and do not have new ideas.

Does not the same situation obtain among many of the persons in the service of the Federal Government?

Mr. BUTLER of Maryland. I believe it does; and I also believe that if a good and workmanlike job is to be done the heads of departments and agencies must control policymaking and must have in confidential positions in the Federal Government employees on whom they can implicitly rely.

Mr. MARTIN. Will not it be most difficult for the Federal Government to dispose of the almost \$30 billion worth of factories, loan agencies, land, and so forth, until all those in policymaking positions in the Federal Departments and agencies are truly in sympathy with the free-enterprise system?

Mr. BUTLER of Maryland. I think that is true. That is a part of the problem.

I may say to the Senator from Pennsylvania that the persons to whom I am directing my remarks do not amount to more than 1 percent of all the employees of the Government, but they wield vast power and formulate policies against the will of the head, with the result that he is unable to stem such formulations of policy and is unable to put into effect the things he wishes to put into effect. Certainly we cannot survive as a new Republican administration under such

conditions. We must have some way of getting our own team on the field.

Mr. GOLDWATER. Mr. President, will the Senator from Maryland yield to me?

Mr. BUTLER of Maryland. I am glad to yield to my friend from Arizona.

Mr. GOLDWATER. I should like to join the distinguished Senator from Pennsylvania in his remarks concerning the speech of the Senator from Maryland, in which I wholeheartedly concur; and I congratulate the Senator from Maryland upon it.

I should like to ask the Senator from Maryland if he does not sense, among the people in his own State and among the people in the other States he has occasion to visit, a feeling of division on the question of Federal domination of everything, as against State domination and private domination of various matters. Does the Senator notice such a feeling, as he travels among the people?

Mr. BUTLER of Maryland. I certainly do; I see it everywhere I go. I speak on that subject probably as much as, and perhaps more than does the Senator from Arizona, who, I know, is devoted to our system of government, and speaks on it quite extensively.

Mr. GOLDWATER. I should like to ask another question, if the Senator from Maryland will yield further to me.

Mr. BUTLER of Maryland. I am happy to yield.

Mr. GOLDWATER. Does not the Senator from Maryland feel that the great source of this division has been the repeated utterances during the past 20 years in favor of gigantic strength on the part of the Federal Government, as opposed to the sovereignty and power of the several States; and does not the Senator from Maryland also feel that the recent tidelands debate brought that issue into focus, with the result that the issue is now before the people of the United States?

Mr. BUTLER of Maryland. Yes. In my opinion the tidelands debate embraced but one issue, and that was whether the States shall survive as independent units, or whether they shall be submerged under an all-powerful Federal Government, and whether control of all property shall be lodged in Washington, D. C., for administration by the Federal Government. I think that was the basic issue in the tidelands debate, and that is why I voted to return the tidelands to the States.

FIRST INDEPENDENT OFFICES APPROPRIATIONS, 1954

The Senate resumed the consideration of the bill (H. R. 4663) making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1954, and for other purposes.

Mr. SALTONSTALL. Mr. President, House bill 4663, now being considered by the Senate, is the first independent offices appropriation bill for 1954, providing funds for the Executive Office of the President and for 23 of the inde-

pendent agencies. The estimates for these agencies total \$1,172,444,190.

Deferred to a second bill are budget estimates totaling \$6,455,758,664 for the Atomic Energy Commission, Selective Service System, Tennessee Valley Authority, and Veterans' Administration.

The bill as reported to the Senate is under the estimates for 1954 by \$715,-031,311.

The largest item of reductions below the estimates is for payments to the civil-service retirement and disability fund. The estimates included \$176,139,000 for normal cost or payments required in 1954 from the fund, also \$192,015,000 estimated as an indefinite appropriation to pay interest to the fund, as well as \$27,590,000 to repay to the fund the amount used in 1953 for the increased annuities authorized by Public Law 555 of July 16, 1952. These estimates, totaling \$395,744,000, are not provided for in this bill, but are deferred, as stated in the committee report, until the study now being made of the overall retirement program of the Government has been completed and until the proper amount of such payments may be determined. The results of that study are expected by the end of the present calendar year. Meantime, the committee is informed that there is sufficient in the fund to pay for required disbursements in fiscal year 1954.

The second largest item of reductions below the estimates is for the stockpiling program in the procuring of strategic and critical materials. For this purpose the estimates included \$188 million for additional funds and \$37 million for liquidation of contract authorization. No additional funds are provided in the bill for these estimates of \$225 million. As stated in the committee report, due to diversion to industry of materials contracted for from stockpile funds, to price decreases, to short deliveries, and to changes in authorized purchase programs and objectives, there is presently an unobligated balance of some \$459 million, and the amount available as of July 1 is estimated at \$376 million. For liquidation of contract authorization, there is provision in the bill for \$30 million from these unobligated funds.

The balance of the reductions below the estimates—of \$94,287,311—for the most part are deductions in the operating programs of the agencies, and amount to an overall percentage cut of 17 percent.

The amendments proposed provide increases totaling \$16,718,766 and reductions totaling \$10,326,380, for a net increase over the House bill of \$6,392,386, or 1.4 percent.

Mr. President, under the unanimous-consent agreement, as I understand it, the bill will be read at this time for committee amendments; and if amendments are to be offered to the committee amendments, or if amendments are to be offered independently, they will be considered on Monday.

Therefore, I hope the bill may now be read and completed so far as non-controversial committee amendments are concerned, so that on Monday we can take up controversial committee amend-

ments or other amendments which Senators may desire to offer and debate.

I now ask that the committee amendments be considered, with that understanding.

The PRESIDING OFFICER. It is the understanding of the Chair that if objection is raised to any committee amendment, it will go over until Monday.

Mr. SALTONSTALL. That is my understanding, too. I have the further understanding that even if committee amendments are not objected to today, they may be brought up again on Monday, without the necessity of obtaining unanimous consent or the necessity of making a motion to that effect.

The PRESIDING OFFICER. Such an arrangement will require a further unanimous-consent agreement, because the Chair's understanding of the present unanimous-consent agreement is that at this time noncontroversial committee amendments may be considered and agreed to.

Mr. SALTONSTALL. Mr. President, I should like to have the unanimous-consent agreement amended in the way I have suggested, because in fairness to the membership of the Senate, some of whom are not present at this time, I think it is better to proceed in the other way. Therefore, I ask unanimous consent to have adopted the amendment I have suggested to the original unanimous-consent agreement.

The PRESIDING OFFICER. Is there objection to such an addition to the unanimous-consent agreement presently in force? Without objection, it is so ordered.

Under the unanimous-consent agreement, the committee amendments will now be stated.

The first amendment of the Committee on Appropriations was, under the heading "Executive Office of the President—National Defense," on page 3, line 3, after the word "year", to strike out "\$500,000" and insert "\$300,000."

The amendment was agreed to.

The next amendment was, under the heading "Independent Offices—American Battle Monuments Commission—Salaries and Expenses," on page 4, line 16, after the word "exceed", to strike out "\$8,000" and insert "\$12,000."

The amendment was agreed to.

The next amendment was, under the subhead "Construction of Memorials and Cemeteries," on page 5, line 14, after the word "exceed", to strike out "\$27,520" and insert "\$41,276"; in line 15, after the word "travel" to strike out "\$9,500,000" and insert "\$4,500,000", and in line 16, after the word "expended", to insert "and, in addition the Commission is authorized to utilize for carrying out the purposes of this appropriation, without dollar reimbursement from this or any other appropriation, foreign currencies or credits owed to or owned by the Treasury of the United States in an amount not exceeding \$4,000,000, and the Secretary of the Treasury is directed to make such foreign currencies or credits available to the Commission in the amount stated, to remain available until expended: *Provided*, That foreign currencies

available to the credit of the Treasury shall be used to defray expenses incurred for this purpose wherever practicable."

The amendment was agreed to.

The next amendment was, under the heading "Civil Service Commission," on page 6, line 22, after the word "exceed", to strike out "\$383,335" and insert "\$570,000"; on page 7, at the beginning of line 1, to strike out "\$16,064,323" and insert "\$17,000,000", and in the same line, after the amendment last above stated, to strike out "Provided."

The amendment was agreed to.

The next amendment was, under the heading "Federal Communications Commission," on page 10, line 11, after the word "exceed", to strike out "\$3,000" and insert "\$13,000"; and in line 15, after "(5 U. S. C. 55a)", to insert "purchase of not to exceed sixteen passenger motor vehicles, for replacement only."

The amendment was agreed to.

The next amendment was, in line 16, after the word "exceed", to strike out "\$73,335" and insert "\$90,000."

The amendment was agreed to.

The next amendment was, in line 17, after the figures "\$7,100,000", to strike out the comma and "of which not less than \$935,000 shall be available for personal services necessary for application processing and hearings in connection with the issuance and renewal of television licenses, and not less than \$809,271 shall be available for personal services necessary for application processing and hearings in connection with the issuance of licenses in the safety and special radio services."

Mr. JOHNSON of Colorado. Mr. President, I wish to advise the Senate that I have an amendment to propose to the amount stated in line 17, namely, \$7,100,000. I propose to amend by striking out that numeral and inserting "\$7,718,440." I send forward my amendment, which I ask to have lie on the table, to be brought up at an appropriate time on Monday.

The PRESIDING OFFICER. The amendment will be received, and will lie on the table, for consideration on Monday.

The question is on agreeing to the committee amendment on page 10, beginning in line 17.

The amendment was agreed to.

The next amendment was, under the heading "Federal Power Commission," on page 11, line 4, after the word "exceed", to strike out "\$173,335" and insert "\$240,000."

The amendment was agreed to.

The next amendment was, under the heading "Federal Trade Commission," on page 11, line 15, after the word "exceed", to strike out "\$163,035" and insert "\$196,435", and at the beginning of line 16, to strike out "\$4,178,800" and insert "\$4,053,800."

The amendment was agreed to.

The next amendment was, under the heading "General Services Administration," on page 12, line 22, after the word "exceed", to strike out "\$161,200" and insert "\$208,300", and in the same line, after the word "travel", to strike out "\$98,826,070" and insert "\$104,750,000."

Mr. GOLDWATER. Mr. President, I should like to have an explanation of

the change from \$98,826,070 to \$104,750,000.

Mr. SALTONSTALL. Mr. President, I ask the distinguished Senator from Arizona to turn to the bottom of page 4 of the committee report. He will observe that the addition "is for space previously reimbursed for management from funds appropriated to other agencies." In other words, we are gradually trying to place within the General Services Administration jurisdiction over the management and renting of property. Three million three hundred and ninety-four thousand four hundred and fifty dollars of the addition is for property which has been placed under General Services Administration, which sum was formerly carried for other properties, and \$1,120,000 is for costs resulting from advances in rental and utility rates. These are the principal items intended to be provided for by the restored amount.

At the time the General Services Administration Act was passed, the theory was that in the long run it would be more efficient and economical to place under one agency the handling of real estate and rental property, occupied by Government offices. It was for that reason that the General Service Administration was established.

The explanation of the additions is that the General Services Administration takes care of the rents for various departments. More than \$3 million of the increase is represented by this item. The House, in reducing the appropriation, did not take this into consideration. I believe the evidence on this subject came to our committee after the matter had been before the House, though I am not sure of that.

Mr. GOLDWATER. Then is it correct to say that the amount of \$3,394,450 would be reflected in a saving by some other department?

Mr. SALTONSTALL. That is the understanding. It is to be expected, and it is to be insisted upon. It is removed from the other budgets.

Mr. GOLDWATER. Has that been done?

Mr. SALTONSTALL. That has been done by the Director of the Budget to the best of my knowledge.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment.

The amendment was agreed to.

The next amendment was, on page 13, line 19, after the word "exceed", to strike out "\$22,865" and insert "\$30,000."

The amendment was agreed to.

The next amendment was, at the beginning of line 20, to strike out "\$22,668,250" and insert "\$20,000,000."

Mr. SALTONSTALL. Mr. President, with reference to that item I should like to say that information has come to me since the committee voted which may indicate that this cut is a little too great. However, that can be taken up in conference with the House. I do not object to the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

The next amendment was, on page 14, line 12, after the word "exceed", to strike out "\$133,400" and insert "\$160,000."

The amendment was agreed to.

The next amendment was, on page 15, line 1, after the word "exceed", to strike out "\$800" and insert "\$1,200."

The amendment was agreed to.

The next amendment was, on page 15, line 12, after the word "exceed", to strike out "\$79,865" and insert "\$81,000."

The amendment was agreed to.

The next amendment was, on page 15, line 18, after the word "exceed", to strike out "\$140,700" and insert "\$174,200."

The amendment was agreed to.

The next amendment was, on page 16, line 1, after the word "exceed", to strike out "\$24,600" and insert "\$36,900"; in line 2, after the word "travel", to strike out "\$5,625,000" and insert "\$5,525,000"; and in the same line, after the word "which", to strike out "\$200,000" and insert "\$100,000."

Mr. GOLDWATER. Mr. President, will not the Senator from Massachusetts explain what is meant by "nitrate film conversion"?

Mr. SALTONSTALL. Mr. President, that refers to the preservation of historic films. The process has been in use for a number of years. I understand there are about 6 or 7 regional buildings in which the films are stored. The nitrate film conversion is for the purpose of preserving the films, some of which relate to World War II, some of which are historic commercial films which are to be preserved for posterity. It is to implement an effort, through the film process, to preserve such films for the future.

Mr. GOLDWATER. I thank the Senator.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

The next amendment was, on page 16, line 10, after the word "exceed", to strike out "\$88,600" and insert "\$98,200", and in line 12, after the word "periodicals", to strike out "\$4,140,750" and insert "\$4,200,000."

The amendment was agreed to.

The next amendment was, on page 17, line 3, to strike the numeral "\$143,000" and insert "\$209,550."

The amendment was agreed to.

The next amendment was, on page 19, line 5, after the word "the", to strike out "Federal government, State governments", and insert "Government."

The amendment was agreed to.

The next amendment was, under the heading "Housing and Home Finance Agency—Office of the Administrator," on page 20, line 7, after the word "exceed", to strike out "\$175,800" and insert "\$211,300."

The amendment was agreed to.

The next amendment was on page 20, in line 14, after the numerals "1949", to strike out "\$2,587,100" and insert "\$3,330,000."

The PRESIDING OFFICER. The question is on agreeing to the amendment.

Mr. GOLDWATER. Mr. President, will the Senator from Massachusetts ex-

plain the increase over the House figure?

Mr. SALTONSTALL. Mr. President, I respectfully call my colleague's attention to the bottom of page 5 of the committee report. I read:

The increase recommended by the committee is to provide a total of \$3,330,000, which is \$1,200,000 below the budget estimate of \$4,550,000.

The reasons for providing this fund are set forth in the committee report on page 5. The report includes a detailed account. The appropriation is to be used in the administration of certain services, which are listed on page 5, in the total amount of \$3,330,000. -

Mr. GOLDWATER. Mr. President, is the Senator able to give me a list of all the services involved?

Mr. SALTONSTALL. Mr. President, as I understand, this represents a breakdown by the Administrators' office, for the purposes of administering the various amounts. For slum clearance, if my memory is correct, there are grants in the bill in the sum of \$20 million. That is for the payment of contracts up to date. Altogether there are capital grants of \$500 million, authorized to pay for two-thirds of the net project cost of slum clearance. There is \$20 million in the bill to complete grants for 8 projects and partial payments on 17 other projects. This is for the administration of those sums in the Administrator's office. That is my understanding.

Mr. GOLDWATER. The reason why I asked the question is that on page 23, line 14, the amount recommended by the House has been increased to \$9 million. That is for the Public Housing Administration.

Mr. SALTONSTALL. I would respectfully say to my colleague from Arizona that the other figure on page 23 is for the administration of public housing as opposed to slum clearance.

Mr. GOLDWATER. How much housing will \$3,330,000 administer?

Mr. SALTONSTALL. That I cannot answer in accurate figures. There is a \$20 million grant this year, and \$500 million in capital grants are authorized for two-thirds of the project. There are 25 projects, of which 8 will be completed with the \$20 million, and there will be partial payments on 17 others.

Mr. GOLDWATER. By virtue of the \$20 million appropriation?

Mr. SALTONSTALL. Yes, including 25 projects, outside the Corporation operation.

Mr. GOLDWATER. I have no objection.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the committee on page 20, line 14.

The amendment was agreed to.

The next amendment was on page 21, line 5, after the figures "\$500,000", to strike out the colon and "Provided further, That not to exceed \$40,000 of this appropriation shall be available for a reorganization survey of the Housing and Home Finance Agency in cooperation with the President's Advisory Committee on Government Organization",

and in line 19, after the word "agency", to strike out the colon and the following additional provisos:

Provided further, That the Administrator's general supervision and coordination responsibilities under Reorganization Plan No. 3 of 1947 shall carry full authority to assign and reassign functions, to reorganize and to make whatever changes, including the reallocation and transfer of administrative expense funds and authority where applicable, necessary to promote economy and efficiency in the operations of the Housing and Home Finance Agency: Provided further, That the Administrator shall not expend more than \$21 million during the fiscal year 1954 on loans to educational institutions not committed as of June 30, 1953.

The amendment was agreed to.

The next amendment was, on page 22, line 7, after the word "exceed", to strike out "\$112,500" and insert "\$115,000."

The amendment was agreed to.

The next amendment was, on page 22, line 16, after the word "expended", to strike out the colon and the following provisos:

Provided, That before approving any local slum-clearance program under title I of the Housing Act of 1949, the Administrator shall give consideration to the efforts of the locality to enforce local codes and regulations relating to adequate standards of health, sanitation, and safety for dwellings and to the feasibility of achieving slum-clearance objectives through rehabilitation of existing dwellings and areas: Provided further, That the authority under title I of the National Housing Act shall be used to the utmost in connection with slum rehabilitation needs: Provided further, That section 110, subsection (e) of the Housing Act of 1949 is hereby amended to read: "Gross project cost" shall comprise (1) the amount of the expenditures by the local public agency with respect to any and all undertakings necessary to carry out the project (including the payment of carrying charges, but not beyond the point where the project is completed, and excluding expenditures for parks, playgrounds, public buildings, or similar facilities), and (2) the amount of such local grants-in-aid as are described in clause (2) of section 110 (d) hereof.

The amendment was agreed to.

The next amendment was, under the subhead "Public Housing Administration," on page 23, line 14, after the word "Administration", to strike out "\$4,948,000" and insert "\$9,000,000."

Mr. GOLDWATER. Mr. President, reserving the right to object, I should like to ask the Senator from Massachusetts a question. This is the item to which I previously referred. The House recommended approximately \$4,500,000, and the Senate committee's recommendation is \$9 million. I am not arguing about the amount, but is the \$9 million for administration of the expenditure of \$32,500,000?

Mr. SALTONSTALL. If the Senator will permit me, this \$9 million covers the new public housing. That is a debatable item, and I presume it will be debated on Monday. If the Senate votes to eliminate all housing activities, then another question is presented. If the housing work is to proceed, this additional amount is necessary to cover the expenses.

Mr. GOLDWATER. My question is brought about by the fact that it is for administrative expenses, and the sum is \$9 million. It seems to me to be a very, very high administrative cost.

Mr. SALTONSTALL. The \$32,500,000 is for contracts already entered into, and it has no relation to the administrative expense. The Public Housing Administration will administer Treasury borrowings outstanding of \$625 million. They will administer the various projects which are already constructed and on which loans are outstanding. If there are 35,000 more units built this year, this additional amount is necessary to work out those new units.

Mr. GOLDWATER. Then the \$9 million is for the overall administration of the entire public housing program?

Mr. SALTONSTALL. That is correct.

Mr. GOLDWATER. The way it is written makes it very confusing. I think the Senator can understand my concern with reference to spending \$9 million to administer \$32 million.

Mr. SALTONSTALL. I would respectfully say to my good friend that it is very difficult to understand.

Mr. GOLDWATER. I agree.

Mr. SALTONSTALL. There are 5 or 6 different types of housing, and to keep them apart and to understand them is a problem in itself.

Mr. GOLDWATER. I think the Senator will also agree that the Senate could stand a new system of reporting these items.

Mr. SALTONSTALL. I think that is beyond the province of the Senator reporting the bill.

Mr. GOLDWATER. If the same methods of preparing budgets and stating budget were applied to normal business operations, they would not last 30 days.

Mr. SALTONSTALL. I shall not disagree with my colleague.

Mr. President, in this connection, I ask unanimous consent to have printed in the RECORD at this point a statement by the Public Housing Administration, showing administrative expense requirements.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

Public Housing Administration—Statement of administrative expense requirements

Program	Actions to date			Estimate for varying levels of construction starts				
	Printed budget (75,000 units, all stages)	Revised budget (35,000 units, all stages)	House bill	35,000 units, all stages	25,000 units, all stages	15,000 units, all stages	35,000 construction starts (no preconstruction)	No new construction nor preconstruction (to complete units under construction)
United States Housing Act:								
Development activity.....	\$6,820,000	\$5,120,000	\$1,364,000	\$5,120,000	\$4,620,000	\$3,920,000	\$4,120,000	\$2,995,000
Management activity.....	4,480,000	4,480,000	3,584,000	4,480,000	4,480,000	4,480,000	4,480,000	4,480,000
Subsistence, homesteads, and greentowns.....	11,300,000	9,600,000	4,948,000	9,600,000	9,100,000	8,400,000	8,600,000	7,475,000
Public war housing:	5,500	5,500	5,500	5,500	5,500	5,500	5,500	5,500
Management activity.....	2,298,000	2,048,000	2,048,000	2,048,000	2,048,000	2,048,000	2,048,000	2,048,000
Disposition activity.....	1,716,500	1,716,500	1,716,500	1,716,500	1,716,500	1,716,500	1,716,500	1,716,500
Defense housing.....	100,000	350,000	100,000	100,000	100,000	100,000	100,000	100,000
Veterans' reuse housing.....	180,000	180,000	155,000	155,000	155,000	155,000	155,000	155,000
Total.....	15,600,000	13,900,000	8,973,000	13,625,000	13,125,000	12,425,000	12,625,000	11,500,000

The PRESIDING OFFICER. The question is on agreeing to the amendment on page 23, line 14.

The amendment was agreed to.

The next amendment was, on page 24, line 12, after the word "amended", to strike out the colon and the following additional proviso:

Provided further, That no housing shall be authorized by the Public Housing Administration, or, if under construction, continue to be constructed, in any community where the people of that community, by their duly elected representatives, or by referendum, or by any other legal method, have indicated they do not want it, and such community shall negotiate with the Federal Government the repayment to the Government, only such money expended prior to the vote or other formal action whereby the community rejected such housing project.

And in lieu thereof to insert the following:

Provided further, That in any case where the Public Housing Administration (after the approvals on the part of the governing body of the community required by law) has entered into a financial assistance contract with a local housing authority covering a low-rent housing project to be constructed in such community and the people of that community, by vote of their duly elected representatives, or by referendum, have thereafter indicated that they do not want such low-rent housing projects constructed, then, in such case the Public Housing Administration, for a period (which shall not again be granted in connection with such low-rent housing project) of 180 days after the date of such vote or referendum, or the

effective date of this act, whichever is the later date, or such longer period as the Housing and Home Finance Administrator, in his discretion, may grant, shall not (unless requested by the governing body of the locality to do so) authorize the award of any contract for the construction of such low-rent housing project, or advance any further funds for such low-rent housing project, and, during such period, the local community shall negotiate with the Public Housing Administration for the liquidation of such financial assistance contract and, if during such period the local community enters into a valid and binding contract with the Public Housing Administration for the repayment to it by the community of a stated amount representing moneys advanced or guaranteed by it under such financial assistance contract, and for the payment of any additional sums which the local housing authority or the Public Housing Administration would be obligated or liable to pay to secure releases from obligations theretofore incurred under such financial assistance contract the Public Housing Administration shall cancel its financial assistance contract in respect to such low-rent housing project.

The amendment was agreed to.

The next amendment was, on page 26, line 22, after the word "amended", to strike out the colon and the following additional proviso:

Provided further, That the limitation in clause (2) of the third proviso under this head in title I of the independent offices appropriation act, 1953, is amended to read as follows: "(2) after the date of approval of this act, enter into any agreement, contract, or other arrangement which will bind the Public Housing Administration with respect

to loans, annual contributions, or authorizations for commencement of construction, for any dwelling units or projects."

And in lieu thereof to insert the following:

Provided further, That notwithstanding the provisions of the United States Housing Act of 1937, as amended, the Public Housing Administration shall not, with respect to projects initiated after March 1, 1949, (1) authorized during the fiscal year 1954 the commencement of construction of in excess of 35,000 dwelling units or (2) after the date of approval of this act, enter into any agreement, contract, or other arrangement which will bind the Public Housing Administration with respect to loans, annual contributions, or authorizations for commencement of construction, for dwelling units aggregating in excess of 35,000 to be authorized for commencement of construction during any one fiscal year subsequent to the fiscal year 1954, unless a greater number of units is hereafter authorized by the Congress.

The amendment was agreed to.

The next amendment was, under the heading "Indian Claims Commission," on page 28, line 18, after the word "Commission", to strike out "\$111,020" and insert "\$117,020", and in line 19, after the word "exceed", to strike out "\$2,845" and insert "\$4,270."

The amendment was agreed to.

The next amendment was, under the heading "Interstate Commerce Commission," on page 29, line 3, after "(not to exceed \$200)", to insert "purchase of not to exceed nine passenger motor vehicles, for replacement only,"; in line 5, after the word "exceed", to strike out "\$212-

645" and insert "\$290,650", and at the beginning of line 6, to strike out "\$9,466,-176" and insert "\$9,665,000."

The amendment was agreed to.

The next amendment was, under the heading "National Advisory Committee for Aeronautics," on page 31, line 1, after the word "exceed", to strike out "\$216,-700" and insert "\$325,000", and in line 5, after "(5 U. S. C. 55a)", to strike out "\$52,988,050" and insert "\$51,000,000."

The amendment was agreed to.

The next amendment was, under the heading "National Capital Planning Commission," on page 32, line 7, after the word "exceed", to strike out "\$4,260" and insert "\$7,000", and in line 14, after the word "compensation", to strike out "\$97,-915" and insert "\$155,000."

Mr. GOLDWATER. Mr. President, reserving the right to object, will the Senator from Massachusetts explain the rather large increase?

Mr. SALTONSTALL. The Senator from Arizona will notice on lines 20 to 24 an amendment appropriating \$365,000, and there is also an increase from \$97,915 to \$155,000. The increase is to make it possible for the National Capital Planning Commission to purchase two pieces of property, one in Virginia and the other in Maryland. The purchase of the property in Virginia has been approved by the Virginia Legislature. There is an appropriation outstanding which will pay for two-thirds of the necessary land acquisition to help to complete a road just across the Potomac River by the Chain Bridge, which is a fundamental part of the project.

The other part of the appropriation is to purchase land in Maryland for which the Maryland Legislature has a bond issue outstanding to pay for two-thirds of the cost. It is only common sense, in my opinion, to buy these two pieces of property now. They will have to be bought ultimately if the parkway system is to be completed. On the Maryland side a bond issue is outstanding, and the area is being built up rapidly, so that the property is becoming more valuable. The appropriation for the Virginia property expires this year. In both instances the States of Virginia and Maryland will pay for two-thirds of the acquisition costs.

I have here a map which indicates the two pieces of property involved, and I shall be glad to show it to the Senator, if he desires to see it. I personally believe, the committee believes with me, and the Senators from Maryland and Virginia are very emphatic in their belief, that it is common sense to buy this land now. If the land is to be bought, then there will be involved the additional cost of surveying and all that goes with it, which will call for the additional amount, the difference between \$97,000 and \$150,000.

Mr. GOLDWATER. Would \$60,000 be required for surveying?

Mr. SALTONSTALL. For surveying, searching titles, and making it possible to obtain the property and start putting it to a useful purpose.

Mr. GOLDWATER. Very well.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment.

The amendment was agreed to.

TEMPORARY ECONOMIC CONTROLS

The PRESIDING OFFICER (Mr. GRISWOLD in the chair). The hour of 2 o'clock having arrived, the Chair lays before the Senate the unfinished business, Senate bill 1081, to provide authority for temporary economic controls, and for other purposes.

FIRST INDEPENDENT OFFICES APPROPRIATIONS, 1954

Mr. SALTONSTALL. Mr. President, I ask unanimous consent that the unfinished business be temporarily laid aside, and that the Senate continue the consideration of the Executive Office and sundry independent offices appropriation bill.

There being no objection, the Senate resumed the consideration of the bill (H. R. 4663) making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1954, and for other purposes.

The PRESIDING OFFICER. The clerk will state the next amendment of the committee.

The next amendment was, on page 32, line 16, after the word "system", to strike out "Of unexpended funds available for land acquisition purposes a total of not exceeding \$19,680 may be used during the current fiscal year for necessary expenses of the Commission (other than payments for land) in connection with land acquisition" and insert "For necessary expenses for the National Capital Planning Commission in connection with the acquisition of land for the park, parkway, and playground system of the National Capital, as authorized by the act of May 29, 1930 (46 Stat. 482), as amended, \$365,000, to remain available until expended, \$100,000 of said sum to be used for carrying out the provisions of section 1 (a) of said act and \$265,000 for carrying out the provisions of section 1 (b) of said act: *Provided*, That not exceeding \$24,940 of the funds available for land acquisition purposes shall be used during the current fiscal year for necessary expenses of the Commission (other than payments for land) in connection with land acquisition."

The amendment was agreed to.

The next amendment was, under the heading "National Science Foundation", on page 33, line 15, after the word "exceed", to strike out "\$78,000" and insert "\$101,000", and in line 18, after the word "services", to strike out "\$5,724,-400" and insert "\$10,000,000."

The amendment was agreed to.

The next amendment was, under the heading "Renegotiation Board—Salaries and Expenses", on page 33, line 25, after the word "exceed", to strike out "\$238,700" and insert "\$305,600."

Mr. GOLDWATER. Mr. President, is there sufficient renegotiation in progress today to warrant an increase in the amount of this item?

Mr. SALTONSTALL. It is the travel appropriation that is being raised. What happened was that the House reduced the amount available for travel by 33 1/3 percent. That did not entail less money; it simply meant restricting further administrative costs. In some instances the reduction of 33 1/3 percent will enormously interfere with the activities of the agency. What the Senate committee has voted to do is to restore the amount to the revised budget figures, so that the whole travel question can be taken to conference and adjusted among the agencies. Every agency that came before the committee objected to the greater restrictions imposed by the House upon travel. The Senate committee adopted a uniform procedure of restoring the revised budget amount, in order to take the matter to conference, where it can be adjusted in the proper manner.

Mr. GOLDWATER. That will be done in conference?

Mr. SALTONSTALL. We hope so.

Mr. GOLDWATER. I have no objection.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment.

The amendment was agreed to.

The next amendment was, under the heading "Securities and Exchange Commission," on page 34, line 7, after the word "exceed", to strike out "\$104,170" and insert "\$150,000", and in line 9, after "(5 U. S. C. 55a)", to strike out "\$5,245,-080" and insert "\$5,000,000."

The amendment was agreed to.

The next amendment was, under the heading "Smithsonian Institution", on page 35, line 8, after the word "exceed", to strike out "\$6,825" and insert "\$10,-225", and in line 12, after the word "publications", to strike out "\$2,897,500" and insert "\$3,000,000."

The amendment was agreed to.

The next amendment was, on page 36, line 4, after the word "exceed", to strike out "\$1,600" and insert "\$1,800."

The amendment was agreed to.

The next amendment was, under the heading "Subversive Activities Control Board", on page 36, line 14, after the word "exceed", to strike out "\$10,000" and insert "\$15,000."

The amendment was agreed to.

The next amendment was, under the heading "Tariff Commission", on page 36, line 22, after the word "exceed", to strike out "\$11,335" and insert "\$14,500."

The amendment was agreed to.

The next amendment was, under the heading "The Tax Court of the United States", on page 37, line 10, after the word "exceed", to strike out "\$40,000" and insert "\$45,000."

Mr. GOLDWATER. Mr. President, did the committee discuss or consider the new system proposed by the Bureau of Internal Revenue in the determination of the amount carried in the amendment, which seems to be quite a jump?

Mr. SALTONSTALL. It did not. As I understand, the Tax Court has all the work it can take care of, and the question is whether the amount proposed to be appropriated is sufficient. We have granted it the full revised budget figures. The House did not change those figures. I believe the general feeling is that the Tax Court should be able to operate as quickly and as efficiently as it can, and that that Court tends to be overloaded rather than underloaded. I hope that if there is a new system of working out differences of opinion on tax matters, it will be reflected next year. However, I think it would be a great mistake to try to change the amount this year.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment.

The amendment was agreed to.

The next amendment was, under the heading "War Claims Commission—Administrative Expenses," on page 38, line 13, after the word "exceed", to strike out "\$5,000" and insert "\$7,520", and insert in line 16, after the word "Commission", to strike out "\$750,000" and insert "\$850,000."

The amendment was agreed to.

The next amendment was, under the heading "Title II—Corporations—Housing and Home Finance Agency," on page 41, line 20, after the word "exceed", to strike out "\$2,300,000" and insert "\$4,200,000", and on page 42, line 15, after the word "exceed", to strike out "\$95,750" and insert "\$120,600."

The amendment was agreed to.

The next amendment was, on page 42, line 21, after the word "exceed", to strike out "\$411,250" and insert "\$640,000", and on page 43, line 17, after the word "exceed", to strike out "\$26,330" and insert "\$27,600."

The amendment was agreed to.

The next amendment was, on page 44, line 17, after the word "of", to strike out the colon and "Provided further, That not to exceed \$20,000 shall be available for expenses of travel."

The amendment was agreed to.

The next amendment was, on page 45, line 19, after the word "exceed", to strike out "\$4,370" and insert "\$6,500."

The amendment was agreed to.

The next amendment was, on page 46, line 13, after the word "exceed", to strike out "\$5,045,590" and insert "\$5,600,000"; in line 20, after the word "exceed", to strike out "\$131,000" and insert "\$184,500"; in line 24, after the word "exceed", to strike out "\$500" and insert "\$1,500"; on page 47, line 2, after the word "exceed", to strike out "\$27,500,000" and insert "\$25,000,000."

Mr. SCHOEPPPEL. Mr. President, I wish to ask the distinguished acting majority leader, the Senator from Massachusetts, who is in charge of the bill, a question about this item.

I note that the amount of \$27,500,000 has been reduced to \$25 million. I understand that the number of public housing units has been increased, or will be increased, to about 35,000. I should like to have the distinguished Senator from Massachusetts indicate why there is proposed a reduction of \$2,500,000 in the amount of expenditures for non-

administrative expenses. I understand that probably there will be more non-administrative expenses in connection with the public housing units than will be met by the reduced figure. Will the Senator give me some enlightenment as to why that amount was cut?

Mr. SALTONSTALL. The figure at the top of page 47 has nothing to do with public housing; it has to do with the Federal Housing Administration. The feeling in the committee was that some of the regional offices were over-staffed, so we reduced the figure by \$2,500,000. The matter will be taken to conference. Since the committee made the cut I have been informed by the agency that we have cut them pretty much to the quick, and that there is a question as to whether we should not restore some of the reduction. We can consider that question in conference.

Federal housing has to do with eight different funds: Repair and improvement and mortgage, title I; insuring individual dwelling mortgages, title I; mutual mortgage insurance—on 1- to 4-family dwellings, title II; insuring multi-family and cooperative housing, title II; emergency and special incentive mortgage and insurance, title VI; investment insurance operating fund, title VII; military housing operating fund, title VIII; and defense housing mortgage fund, title IX.

Insurance of \$15 billion is outstanding.

Net income in 1952 was \$60 million; it is estimated that in 1953 it will be \$75 million; and in 1954, it is estimated it will be \$88 million.

This is the fund which is used to administer the various agencies. It has nothing to do with public housing.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment.

The amendment was agreed to.

The next amendment was, on page 47, line 3, after the amendment just above stated, to strike out the colon and "Provided further, That the position of Assistant Commissioner, established pursuant to section 213 (f) of the National Housing Act, as amended, is no longer authorized."

The amendment was agreed to.

The next amendment was, on page 47, line 11, after the word "exceed", to strike out "\$8,973,000" and insert "\$13,025,000"; in line 13, after the word "exceed", to strike out "\$685,300" and insert "\$916,000", and on page 48, line 11, after "(Public Law 65)", to strike out the colon and "Provided further, That during the fiscal year 1954 the Commissioner shall make every effort to refund all local bonds held by the Public Housing Administration under the United States Housing Act of 1937, as amended."

The amendment was agreed to.

The PRESIDING OFFICER. That completes the committee amendments.

Mr. SALTONSTALL. Mr. President, it is my understanding that the committee amendments have now been adopted, and that unless a committee amendment is reopened for debate on Monday, under the agreement, or unless individual amendments are offered to committee amendments, the bill as re-

ported by the committee has been approved. I ask if that is a correct understanding of the parliamentary situation.

The PRESIDING OFFICER. All committee amendments have been agreed to. That is the understanding of the Chair.

Mr. LANGER. Mr. President—

Mr. SALTONSTALL. I yield the floor.

Mr. LANGER. Will the Senator yield for a question?

Mr. SALTONSTALL. I yield to the Senator from North Dakota for a question.

Mr. LANGER. I have an amendment to offer. It is in my office—

Mr. SALTONSTALL. Under the agreement, that amendment could not be offered at the present time. It could be submitted and lie on the table. It may be offered on Monday. I suggest that the Senator submit his amendment so that it may be printed and lie on the table.

Mr. LANGER. I thank the Senator.

THE NATO STATUS OF FORCES TREATY

Mr. SCHOEPPPEL. Mr. President, it is my intention to associate myself with the group of distinguished Senators who are in opposition to article VII of the NATO Status of Forces Treaty.

The provision of article VII to which I object is as follows:

(a) the military authorities of the sending State shall have the right to exercise within the receiving State all criminal and disciplinary jurisdiction conferred on them by the law of the sending State over all persons subject to the military law of that State;

(b) the authorities of the receiving State shall have jurisdiction over the members of a force or civilian component and their dependents with respect to offenses committed within the territory of the receiving State and punishable by the law of that State—

And so forth. A review of the testimony before the Foreign Relations Committee, as well as the report issued by the Foreign Relations Committee in submitting this treaty to the Senate, reflects that this unprecedented transfer of the rights of American Armed Forces personnel is predicated upon certain interpretations of international law and assumptions of fact; namely, first, that members of the armed services of our country do not have sovereign immunity when stationed in foreign lands; second, that the failure to adopt this provision will deprive the separate States of the United States of jurisdiction over foreign personnel; third, that the adoption of this section of the treaty would place our relations with foreign nations on a quid pro quo basis; fourth, that failure to adopt this provision of the treaty would jeopardize friendly foreign relations; and fifth, that the adoption of this section of the treaty would confer more rights on American military personnel than obtained under the executive agreements made by the preceding administration.

I do not propose at this time to explore in detail what I consider to be the

Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

Issued May 19, 1953

OFFICE OF BUDGET AND FINANCE
(For Department Staff Only)

For actions of May 18, 1953
83rd-1st, No. 90

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HIGHLIGHTS: Senate debated 1st independent offices appropriation bill. Senate committee reported bill for Commission on Foreign Economic Policy. House committee reported (May 15) Labor-Health, Education, and Welfare appropriation bill. Sen. Humphrey recommended increase in wheat reserve. Rep. Polk requested increase in ACP.

SENATE

1. APPROPRIATIONS. Continued debate on H. R. 4663, first independent offices appropriation bill for 1954 (pp. 5203-24). Rejected, 30-45, a larger amendment to strike out the prohibition against use of funds for a statistical analysis of the consumer dollar (pp. 5203-10).

2. PERSONNEL. The Post Office and Civil Service Committee reported without amendment S. 1870, to continue until June 30, 1954, the period during which the Committee on Retirement Policy for Federal Personnel shall file a report (S. Rept. 274)(p. 5193).

FOREIGN POLICY. The Finance Committee reported without amendment S. J. Res. 78, to establish a Commission on Foreign Economic Policy (S. Rept. 292)(p. 5193).

4. LAND ACQUISITION. The Judiciary Committee reported with amendments S. 1857, to provide for expeditious judicial proceedings for the condemnation of lands for public purposes (S. Rept. 291)(p. 5193).

5. SEED MARKETING. Both Houses received from this Department a proposed bill to amend the Federal Seed Act so as to add sugar beet seed to the list of seeds covered by the Act, require labeling as to germination of all components of agricultural seed mixtures, provide for labeling of mixtures of vegetable seeds, require treated seeds to be appropriately labeled, etc.; to Senate Agriculture and Forestry Committee and House Agriculture Committee (pp. 5189, 5253).

6. WHEAT RESERVE. Sen. Humphrey recommended that the wheat reserve be increased to 30% of requirements (p. 5227).

7. NEW ENGLAND. Sen. Kennedy spoke on the economic problems of New England and recommended various types of assistance, including development of natural resources (pp. 5227-43).

HOUSE

8. APPROPRIATIONS. The Appropriations Committee reported without amendment (May 15 during House recess) H. R. 5246, the Labor-Health, Education, and Welfare appropriation bill for 1954 (H. Rept. 426) (p. 5254).
9. GRAZING LANDS. Received the Black Forest Conservation Association's (Pa.) petition opposing H. R. 4023 and S. 1491, the so-called stockmen's bills, and favoring H. R. 4268 and S. 1509, relating to the use of national forest grazing land (p. 5254).
10. AGRICULTURAL APPROPRIATION BILL. Debate on this bill was postponed until today and the House adjourned early in memory of the late Rep. Hull.

BILLS INTRODUCED

11. PERSONNEL. S. 1926, by Sen. Smith, N. J., to remove certain inequities by fixing the hours of work and overtime pay practices in the case of certain U. S. employees; to Labor and Public Welfare Committee (p. 5193).
12. RECLAMATION. H. R. 5250, by Rep. Krueger, to provide that the excess-land provisions of the Federal reclamation laws shall not apply to lands in the Heart Division of the Missouri River Basin project; to Interior and Insular Affairs Committee (p. 5254).
13. EDUCATION. H. R. 5249, by Rep. Cederburg, to amend the laws relating to Federal aid to education in Federally affected areas; to Education and Labor Committee (p. 5254).

ITEMS IN APPENDIX

14. HAWAII STATEHOOD. Del. Farrington inserted two newspaper articles favoring statehood for Hawaii (pp. A2848-50).
15. FARM PROGRAM. Rep. Engle inserted the poll results in his district on 19 issues, including farm questions (pp. A2825-6).
16. FARM PRICES. Sen. Humphrey inserted speeches by Sens. Kerr and Murray discussing the drop in farm prices and the present price-support situation (pp. A2832).
17. FARM LOANS; SOIL CONSERVATION. Extension of remarks of Sen. Johnson, Tex., praising the work of FHA and SCS (pp. A2837-8).
18. FOREIGN TRADE. Rep. Bailey inserted the statement of O. R. Strackbein, National Labor-Management Council on Foreign Trade Policy, "The Import Quota: Suitable Instrument of a Liberal Trade Policy" (pp. A2839-41).
Rep. Gross inserted a Georgia Farmers' Market Bulletin article blaming the "free trade policy" for the present farm surpluses (pp. A2857-8).
19. PERSONNEL. Sen. Lehman inserted a New York Times editorial pointing out the vital roles played by Government employees (p. A2841).
20. SOIL CONSERVATION. Rep. Thompson inserted an essay by a high school student, "How Soil Conservation Benefits Every Individual in My Community" (p. A2841).
21. GRAZING LANDS. Rep. Patten inserted a cattlemen's letter discussing the multiple uses of national forest lands and favoring the so-called stockmen's bill (p.

[Mr. MURRAY] are absent by leave of the Senate.

The VICE PRESIDENT. A quorum is present.

FIRST INDEPENDENT OFFICES APPROPRIATIONS, 1954

The VICE PRESIDENT. The Chair lays the unfinished business before the Senate.

The Senate resumed the consideration of the bill (H. R. 4663) making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1954, and for other purposes.

Mr. SALTONSTALL. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator from Massachusetts will state it.

Mr. SALTONSTALL. Am I correct in my understanding that all committee amendments to the independent offices appropriation bill were adopted on Friday, subject to being reopened today, without requiring a motion to reconsider, in the case of any amendment which any Member of the Senate wishes to debate or amend?

The VICE PRESIDENT. The understanding of the Senator from Massachusetts is correct.

Mr. SALTONSTALL. Then I hope we shall proceed with such amendments at this time.

Mr. LANGER. Mr. President, I call up my amendment on page 11, and ask that it be stated.

The VICE PRESIDENT. The amendment will be stated.

The CHIEF CLERK. On page 11, it is proposed to strike out the proviso beginning on line 20 and extending down to and including line 23, as follows:

Provided further, That no part of the foregoing appropriation shall be available for a statistical analysis of the consumer's dollar.

Mr. LANGER. Mr. President, the independent executive offices appropriation bill, which is now under consideration, contains on page 10 an appropriation item of \$4,053,800 for the necessary expenses of the Federal Trade Commission. At the very end of the section of the bill appropriating these moneys to the Federal Trade Commission we find an innocent looking "sleeper" provision which reads as follows—lines 20-23, page 11:

Provided further, That no part of the foregoing appropriation shall be available for a statistical analysis of the consumer's dollar.

How that provision ever found its way into this appropriation bill is very mysterious. But the meaning of the provision is quite obvious. It is a bold attempt to restrict the historic and basic jurisdiction of the Federal Trade Commission, as provided in the original Federal Trade Commission Act of September 26, 1914—38th United States Statutes at Large 717, 63d Congress, 2d session.

This statute has been in force for almost 40 years, in defining the powers and duties of the Federal Trade Commission.

Section 6 of this act provides—38th United States Statutes at Large 721; title 15, United States Code, Annotated, section 46:

The Commission shall also have power (a) To gather and compile information concerning, and to investigate from time to time the organization, business, conduct, practices, and management of any corporation engaged in commerce, excepting banks and common carriers subject to the act to regulate commerce, and its relation to other corporations and to individuals, associations, and partnerships.

The Federal Trade Commission Act was passed to supplement and implement the Sherman Antitrust Act of July 2, 1890, which may be rightfully termed the "Consumer's Magna Carta," designed to free interstate trade and commerce from the blighting and baneful effects of illegal restraints of trade and monopolies.

Although the Federal Trade Commission has been carrying on, unchallenged, studies and investigations under this statute for a period of almost 40 years, such investigations being designed to help the ultimate consumer from monopoly practices, yet the proviso to which I have called attention and which is attached to the pending appropriation bill, would most seriously circumscribe the historic jurisdiction of the Commission, by limiting its heretofore lawful authority under the basic provisions of the 1914 act. I do not believe that such a far-reaching attempt to interfere with, circumvent, and circumscribe the time-honored jurisdiction of the Commission should be undertaken under the guise of a rider to an appropriation bill. Nor do I believe that the Members of this body have heretofore had brought to their attention directly the real nature of this subtle legislative attempt, by piecemeal approach and attack, to delimit the jurisdiction of the Federal Trade Commission. That is why I have moved to delete this proviso from the bill, in order that the attention of Senators may be directly focused upon its inherently dangerous implications.

Nor can this interference with the normal functions of the Federal Trade Commission be justified as an economy measure. A study of what happens to the consumer's dollar would not involve an expenditure of 1 cent beyond the appropriation of \$4,053,800 provided in the bill for the necessary expenses of the Commission, even though it might require a simple reallocation of expendable amounts within the budgetary limitation.

What is the need for a breakdown of the buyer's dollar?

Although the Federal Government has provided for the assembling of much statistical data in various fields, there is one type of information which has been completely neglected; namely, a breakdown of the buyer's dollar into its various cost elements.

We need, for example, specific information as to how much of the consumer's dollar spent for food and farm products goes to manufacturers, proces-

sors, and distributors, as compared with what goes back to the farmers.

Not so many months ago it was asserted by powerful special interests that it was the farmer who was responsible for the high cost of living. Today, as everyone knows, the farmer, particularly the cattle raiser and the wheatgrower, has suffered so grievously from a steady decline in the prices of what he sells, in marked contrast to what he buys, that he is presently in a most precarious and distressed economic position. I am informed that the same is true of the cotton farmer and other special groups of farm producers.

For months, the daily bulletins of the Department of Agriculture have emphasized the farmer's economic predicament. I wish to quote from the Department of Agriculture's daily summary, under the dates indicated:

May 1, 1953:

The farm real-estate market: Farm real-estate values showed some decline in most parts of the country during the 4 months ending March 1.

April 29, 1953:

Agricultural prices: The index of prices received by farmers declined 5 points (2 percent) during the month ending April 15. The index of prices paid by farmers, including interest, taxes, and wage rates also declined during the same period, but only by two points (less than 1 percent).

April 27, 1953:

Grain market news and statistical report: Cash grain markets continued unsettled during the week ended April 23. Contributing to weakness in markets were inactive export demand, more favorable Korean developments, and large impending deliveries to CCC under the 1952 support programs.

April 23, 1953:

The farm income situation: With prices received by farmers at a lower level than in 1952, farmers' cash receipts from marketings in 1953, and their total gross income, are likely to be somewhat below a year ago. Farm production costs, however, continued high and relatively inflexible. Farm operator's realized net income in 1953 will probably be down about a billion dollars from last year's total of fourteen and three-tenths billion. * * *

April 22, 1953:

Livestock Market Review: At Chicago the Monday run was largest for April in 27 years. * * * Prices on Monday declined 50 cents to \$1.50.

April 15, 1953:

Livestock Market Review: Cattle receipts were largest since January and prices weakened in spite of some improvement in the wholesale beef trade. Fed steers predominated and supplies were slightly burdensome even for the currently good demand, closing prices being steady to 50 cents lower than a week ago, instances \$1 off. Stocker and feeder trade was very dull and late prices were weak to \$2 or more lower.

April 10, 1953:

The farm-cost situation: Prices received by farmers in the first 3 months of 1953 averaged 9 percent below the comparable quarter in 1952 and 10 percent above the pre-Korean level (first half of 1950). Prices paid for commodities and services used in farm production, including interest, taxes, and wage rates in the first quarter of 1953 averaged about 3 percent below the same

quarter a year ago but were still about 14 percent above the average for the first half of 1950.

I may say, Mr. President, these prices are very, very alarming.

April 6, 1953:

Grain market news: Cash grain markets continued to weaken during the week ended April 2.

March 18, 1953:

Livestock market review: Fed cattle sold at weak to lower prices early in the week when receipts were fairly liberal.

March 11, 1953:

The livestock and meat situation: Prices for medium and top quality cattle declined sharply beginning early January following similar reductions for cows and feeder cattle last summer and fall. Prices for all classes of cattle are now considerably below a year ago and most are at their lowest point since 1949. * * * Fed steers and heifers made up a large share of the run, and with a general decline in wholesale beef, fed cattle sold weak to \$1 lower, instances \$1.50 lower, up-per grades off most.

March 9, 1953:

Action to halt drop in livestock prices reviewed: With the removal of price controls, retail markets began to reflect the lower farm price and beef prices dropped in the butcher shops.

March 5, 1953:

Farmers in general are not concerned so much about the drop in farm prices as they are about increased cost of things they have to buy.

Mr. President, at the end of World War I, as every Senator knows, the price of grain dropped from nearly \$3 a bushel to approximately 20 cents. The price of everything the farmer had to buy, of course, increased.

The net value of farmers' output was down 6 percent.

February 5, 1953:

The demand and price situation: Prices received by farmers dropped an average of 9 percent from August last year to mid-January 1953, and are 11 percent below a year ago. Most of the decline was due to lower prices for meat animals and cotton. The index of prices paid by farmers, including interest, taxes, and farm wage rates, has dropped much more slowly than prices received and in mid-January was down only 2 percent from a year earlier.

February 4, 1953:

Livestock market review: Cattle prices dropped sharply for the third successive week as wholesale beef continued a general decline.

February 3, 1953:

Cattle people disturbed by the decline of fed cattle prices at central markets.

January 28, 1953:

Livestock market review: Smaller receipts of cattle failed to stem the downward price trend and fed offerings sold unevenly 50 cents to \$2 lower. Slow trade and lower prices for beef resulted in reduced demand for cattle and trading was extremely dull with sizable carryovers from day to day. Stockers and feeders showed progressive weakness, closing weak to \$2 lower.

Mr. President, here is a statement by Secretary Benson on the price situation:

Prices received by farmers have been moving downward slowly and irregularly for almost 2 years. The decline is about 12 per-

cent from a year ago and 18 percent from the peak reached in February 1951. Prices paid by farmers, as measured by the parity index, have been substantially unchanged during this period, with the result that the net income of farmers have experienced a severe squeeze. These changes have been underway for some time.

October 20, 1952:

Farm cost situation: Cost rates for most commodities used in farm production and also wage rates are likely to increase slightly in 1953 while prices received by farmers for commodities probably will average slightly lower than in 1952. This means that the cost-price squeeze on producers will be intensified in 1953.

Mr. President, it is unnecessary to review the conditions such as drought and inadequate feed stocks which caused distress marketing of cattle during the fall months of 1952 which contributed to a constantly declining price of both range and feeder cattle.

This matter of the severe cost-price squeeze on the farmer was graphically pointed out by the distinguished Senator from Iowa [Mr. GILLETTE] who sent timely communications on the subject to the chairmen of the respective Subcommittees on Appropriations which conducted hearings on this bill. These letters are of such importance that I shall read them:

FEBRUARY 27, 1953.

HON. JOHN PHILLIPS,
House of Representatives,
Washington, D. C.

DEAR CONGRESSMAN PHILLIPS: I would like to call to your attention one small item on the budget for the Federal Trade Commission for fiscal year 1954 which your Subcommittee on Independent Offices will be considering. This is a request for \$186,000 to enable the Commission to begin a study of the breakdown of the consumer's dollar.

As you may recall, during the 81st Congress I was chairman of a subcommittee of the Senate Agriculture Committee which studied the problem of price spreads in a number of fields including bread and cereals, meat, milk and dairy products, coffee, eggs, and others. This subcommittee has not been in existence since the end of the 81st Congress, and, to my knowledge, no other committee in Congress has undertaken or is prepared to undertake this type of study on the comprehensive basis necessary to provide Members of Congress with the essential facts relative to this exceedingly significant subject.

It is my understanding that if funds are provided for the Federal Trade Commission as requested in the budget, the needed information will be gathered and made available to Congress and the public on a continuing and systematic basis.

In my opinion the need for this type of information is now particularly acute. On the one hand farm prices have been declining for several months. On the other hand we hear many complaints to the effect that these declines in farm prices have not been fully translated into lower consumer prices.

I particularly invite the attention of the distinguished Senator from New York [Mr. LEHMAN] to that statement.

I continue to read from the letter of the distinguished Senator from Iowa [Mr. GILLETTE]:

The figures of the Department of Agriculture show that the overall spread between the farmer and the consumer has in fact been rapidly increasing. But what we do not know is what changes have taken place in the various components that make up the overall spread between the farmer

and the consumer. For example, we have no information which would indicate how much of the increase in the spread has been due to higher labor costs, higher processing costs, higher wholesale margins, higher retail margins, etc. The proposed study of the FTC would provide us with this badly needed information.

I hope that the Independent Offices Subcommittee of which you are chairman will approve this program. I am sure the benefit to Congress and to the public will repay the cost many times over.

With kind regards,

Sincerely,

GUY M. GILLETTE.

Mr. President, on April 20, 1953, the distinguished Senator from Iowa wrote to the distinguished Senator from Massachusetts [Mr. SALTONSTALL], as follows:

APRIL 20, 1953.

HON. LEVERETT SALTONSTALL,
Senate Office Building,
Washington, D. C.

DEAR SENATOR SALTONSTALL: It is my understanding that your Subcommittee on Independent Offices of the Senate Appropriation Committee will in the very near future be considering the budget for the Federal Trade Commission.

I am taking the liberty of sending you herewith a copy of a letter which I addressed on February 27 to the House Independent Offices Subcommittee members concerning an item in the FTC budget which provides \$186,000 to enable the Commission to undertake a study of the breakdown of the consumer's dollar.

I hope this letter may be of value to your subcommittee in its consideration of this matter.

With kind regards,

Sincerely,

GUY M. GILLETTE.

As the Senator from Iowa has tersely expressed it, the decline in farm prices has not been fully translated into lower consumer prices. On the contrary, the figures of the Department of Agriculture show that the overall spread between the farmer and the consumer price has been gradually increasing and lengthening. Who is getting this gravy? How much of this increase in spread has been due to higher processing costs, higher wholesale margins, higher retail costs, or higher labor costs?

A study by the Federal Trade Commission should provide the answers to these pertinent questions. The ensuing benefit to the consuming public will indeed repay the cost many times over.

Who can object to such a study? The Federal Trade Commission is ideally fitted, both by experience and statutory mandate, to undertake this type of research. Who can oppose it except those special interests who have been capturing an improper proportion of the consumer's dollar?

The Bureau of Agricultural Economics, Department of Agriculture, tells us that in 1952 the average family of three paid \$740 for its year's market basket of farm food products as against a figure of \$722 in 1951; \$18 more than in 1951. However, the farmer, who filled this market basket, received only \$353 in 1952 as against \$360 in 1951; that is, \$7 less than in 1951. Who was the middleman who received this increased fee of \$25 in 1952?

For every \$1 the consumer paid for farm products in 1952, the farmer received only 48 cents, 2 cents less than in 1951.

Cotton farmers received a smaller share of the consumer's dollar in 1952 than in 1951—14.5 percent in 1951 to 14 percent in 1952.

Reports compiled by the Federal Trade Commission and the Securities and Exchange Commission reflect that net earnings after taxes of food and tobacco processing corporations have been steadily rising; whereas, the farmer's share of the consumer dollar has been steadily decreasing. Food processors' net earnings were up 11 percent, from \$405 million to \$450 million, between the last half of 1951 and the last half of 1952. Tobacco manufacturers' net earnings went up over 6 percent, from \$63 million to \$67 million, between the last half of 1951 and the last half of 1952.

Not only would such a study and breakdown of the consumer's dollar be useful in analyzing the true proportion of the farmer's share in the consumer dollar as compared with those who handle or process his products, but it would also furnish dependable statistical data of prime utility in other economic fields such as, first, the individual or small businessman could compare his costs with his industry's costs to arrive at his relative efficiency; this is a major economic problem as yet not adequately explored; to wit, the relationship between size and efficiency; second, investors and lending institutions would be furnished a standard upon which to compare the efficiency of companies seeking their aid; and, third, it would tend to aid the settlement of labor disputes by providing irrefutable cost figures which would eliminate hours of argument over which side's estimates thereof were more accurate.

The Federal Trade Commission is the ideal body to conduct such a study. It is bipartisan, having a long and praiseworthy record of objective fact finding. The Commission has both the power and the experience to conduct such a research. The cost is inconsequential measured by the benefits to be received.

In 1919 the House Appropriations Committee requested the Federal Trade Commission to suggest what might be done to reduce the high cost of living. The Commission recommended a study similar to this. As a result, Congress appropriated \$150,000 specifically for this purpose.

The consumer is entitled to know who is sharing his dollar and in what proportions it is being shared. When he buys at the retail store, how much does the retailer get? How much does the wholesaler or processor or middleman get? What is the manufacturing and transportation cost? How much of the price went to materials, labor, overhead, and so forth? These are pertinent questions that should be answered. Are the proponents of this particular clause in bill afraid of getting the answer to these questions? Are they fearful of having the spotlight of publicity thrown on excessive and unjustified price increases

which have captured a disproportionate part of the consumer's dollar?

The Joint Committee on the Economic Report, in its report on current gaps in our statistical knowledge, stated:

There has been a long-standing need in both Government and private industry for objective data on unit costs. * * * Better information would be of value to the Government in the appraisal of economic conditions. It would provide individual firms with a yardstick with which to compare their own costs and operations with those of the industry as a whole. It would aid both industry and labor in the settling of labor disputes.

However, the basic need for this consumer-dollar study, which this bill would outlaw as if it were the plague, was strikingly and forcefully put by the Senator from West Virginia [Mr. KILGORE] at the Senate subcommittee's hearing on this particular phraseology in the bill. The following colloquy occurred between the Senator from West Virginia and Mr. Howrey, the new Chairman of the Federal Trade Commission:

Senator KILGORE. Would this permit you to go ahead with the investigation of the consumer's dollar?

Mr. HOWREY. No. It would not. The House committee particularly directed us not to do that. * * *

Senator KILGORE. Is it not rather puzzling to you that there was such a wide divergence between the cost of living to the consumer and what the farmer or producer gets for his raw material?

Mr. HOWREY. Yes.

Senator KILGORE. It has always puzzled me why apples in my State sell for \$2 a bushel and here in Washington the same identical basket of apples sells for \$6.50.

Mr. President, I call attention to the fact that about a year ago I stood upon the floor of the Senate and read letter after letter from farmers in Minnesota, North Dakota, South Dakota, and Montana, who stated that they were getting 23, 24, and 25 cents a dozen for their eggs, at a time when the same eggs were selling in Washington for as high as \$1 a dozen.

I continue with the statement of the Senator from West Virginia [Mr. KILGORE]:

I wonder what part of the consumer's budget comes out of that little bit of transportation cost because it is only 100 miles to bring them here. I am very much interested in that consumer-dollar investigation. I wanted to get that into the record here because I think it works against the farmer and against the consumer.

Competition is the underlying principle which governs the American economy. Competition has been likened to a race "in which all may enter, but in which there must be no unfair jostling or hampering of others. Each one is free to exert all his powers, and distance, if he can, all competitors, and win all the prizes; but he must run fairly and accord to others a like freedom"—*United States v. Motion Picture Patents Co.* (225 Fed. 800).

Unless there is a free play of competitive forces, the public interest will languish, and the consumer will be unprotected against high and extortionate prices. It is thus the function of the

Federal Trade Commission to buttress and protect free competition against those unlawful forces and practices which, if permitted to go unbridled, would destroy it. The Commission's economic reporting functions are designed to provide for the Congress, the Executive, and the public alike, information on matters vitally affecting the competitive economy.

The clause which I have moved to strike and delete from this bill, as it relates to the Federal Trade Commission is thus fundamentally objectionable because it is deliberately designed to curtail the historic authority and economic reporting function of the Commission as it has existed for almost 40 years.

What is the principle involved? It is literally whether Congress intends to tie the hands of the Chairman of the Federal Trade Commission in allocating the general appropriation for such work as may from time to time be found necessary in the proper performance of the Commission's statutory functions and duties.

The Reorganization Act of 1949, under Reorganization Plan No. 8, which became effective May 24, 1950, transferred to the Chairman of the Commission certain executive and administrative functions formerly exercised by the Commission as a whole. The language I am attacking in this appropriation bill can only be a deliberate and bold attempt improperly to delimit and circumscribe these powers formerly granted to the Chairman by broad congressional mandate.

These powers are derived from the original Federal Trade Commission Act of September 26, 1914 (38 Stat. 717, 15 U. S. C. secs. 41-58) as contained in the first paragraph of section 2, which reads in part:

The Commission * * * shall have authority to employ and fix the compensation of such attorneys, special experts, examiners, clerks, and other employees as it may from time to time find necessary for the proper performance of its duties and as may from time to time be appropriated for by Congress.

There is nothing in this basic language which indicates any intent or purpose on the part of Congress to lay down kindergarten rules for the administrative procedure and executive functions of the Commission, as the language under attack in this present appropriation bill undertakes to do. Nor is there any provision in Reorganization Plan No. 8 which would support or justify such language.

That the Commission is inherently trustworthy and competent to make such statistical studies is apparent from the language of section 6, subdivisions (a) and (h) of the Federal Trade Commission Act, which confer upon it the power, and the implicit duty, if you please, of gathering and compiling information relating to conduct and practices in both interstate and foreign commerce which injuriously affect the competitive economy and the public interest.

Can any Member of Congress deny that we need, and can use profitably right now, a study of what has happened

and is now happening to the consumer's dollar?

Do we wish to go on record, in this appropriation bill, as not being interested in the consumer's dollar? Does a single Member of the Senate wish to do so?

For all the reasons to which I have alluded, the objectionable language in this appropriation bill, namely, the last restrictive clause relating to the Federal Trade Commission appropriation, should be stricken from the bill, and I so move.

I ask for the yeas and nays.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from North Dakota [Mr. LANGER].

Mr. TAFT. I suggest the absence of a quorum.

Mr. SALTONSTALL. Mr. President, will the Senator from Ohio withhold the suggestion of the absence of a quorum for a moment?

Mr. TAFT. Certainly. I will withhold it entirely if the Senator wishes to speak first.

Mr. SALTONSTALL. I respectfully ask the Senator to withhold it at the present time, because there has been no debate. I understand that there will be further discussion of this subject.

Mr. LEHMAN obtained the floor.

Mr. LANGER. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. LANGER. Were the yeas and nays ordered?

The PRESIDING OFFICER. The request was not put.

Is the demand for the yeas and nays sufficiently seconded?

The yeas and nays were not ordered.

Mr. LEHMAN. Mr. President, I rise to speak very briefly in support of the amendment of the distinguished Senator from North Dakota. In the first place, I think it is very poor government to try, in an appropriation bill, to direct the manner in which an independent Federal executive agency shall proceed. That is, of course, exactly what is intended by the proviso in the bill reported by the committee, and what would develop in the event the amendment of the distinguished Senator from North Dakota should not prevail.

I think there is nothing more important than to permit the American public—after all, everyone in the American economy is a consumer—to know exactly what happens to the consumer's dollar. The people of this country, including the Members of this body, have no idea today what is happening to the consumer's dollar. They do not know the breakdown of the consumer's dollar.

We know, for example, that the prices of agricultural products, whether livestock, milk, cabbage, or any one of a number of commodities which go to form the agricultural economy of the Nation, have dropped drastically. There has been no equivalent decrease in the price of those products to the consumer, and no commensurate drop in the prices of the commodities which the farmers and the consuming public generally must pay for the goods which they buy.

The Senator from Iowa [Mr. GILLETTE] has submitted a resolution proposing the establishment of a separate select Senate committee to investigate and study the many problems which affect the consumer and to make recommendations and reports to the Senate and to the appropriate standing committees of the Senate. That resolution does not in any way assume to take over any of the legislative functions or responsibilities of the standing committees. However, it emphasizes the need for bringing to the attention of all the people of the country the problems and the difficulties of the consumer, and to make clear the relationship between the cost of production of many commodities, notably agricultural products, and the prices which the consumer must pay.

The resolution of the Senator from Iowa is now before the Committee on Banking and Currency, of which the distinguished occupant of the chair [Mr. PAYNE] and myself, as well as the Senator from Illinois [Mr. DOUGLAS] and other Senators are members. We held a meeting this morning, as the distinguished occupant of the chair will recall. It was an executive session, so, of course, the junior Senator from New York cannot disclose the matters which were discussed and debated at that meeting. Suffice it to say that no action was taken. Today there is no agency of the Government that can possibly concern itself with the problems of the consumer. We have no agency, either within Congress or elsewhere, that does or can concern itself with the problems of the consumer.

Those problems are numerous. Perhaps many of them are imaginary or susceptible to explanation and analysis; but certainly such explanation and analysis is not apparent at the present time.

Very few people in this country understand why, in the face of a rapidly declining market for agricultural and other products the price which the consumer must pay remains substantially unchanged. I think we need and investigation of this kind by the Federal Trade Commission. I hope we shall go further and establish a special or select committee of the Senate to investigate and study all the problems of the consumer. It is the small consumers who are affected by the continued high prices of what they buy, notwithstanding the fact that the primary producer, the farmer, is compelled to take far lower prices for his products.

So I very much hope that the amendment offered by the distinguished Senator from North Dakota [Mr. LANGER] will prevail. I may add that I am proud to have had this opportunity to speak in support of his amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from North Dakota [Mr. LANGER].

Mr. LANGER. Mr. President, I suggest the absence of a quorum.

Mr. SALTONSTALL. Mr. President, I should like to speak on the amendment.

Mr. LANGER. Mr. President, I withhold my request.

Mr. SALTONSTALL. I do not know whether the Senator from Illinois [Mr. DOUGLAS] wishes to speak on the amendment.

Mr. DOUGLAS. I yield to the chairman of the subcommittee.

Mr. SALTONSTALL. I merely wish to say that the committee sustained the action of the House in leaving in the bill the proviso, according to which no money appropriated to the Federal Trade Commission shall be spent on further statistical study of the consumer's dollar. The committee took the action for the following reasons:

The study was started by Executive order signed by President Truman sometime last year. In the present budget, as revised by the new administration, no money was provided for a continuation of the study. I assume—although no evidence has been presented to the committee—that the language which the amendment of the Senator from North Dakota [Mr. LANGER] would strike out was inserted to make certain that the revised figures submitted by the Bureau of the Budget were adopted. I have inquired of the Bureau of the Budget to find out why they took that position. I am informed they took the position because of the uncertainty as to which agency should conduct these consumer studies.

I am in sympathy with consumer studies. Certainly in my section of the country we are very vitally interested in such studies. I was one of the sponsors of the bill which the Senator from New York [Mr. LEHMAN] just mentioned, as having been discussed by the Committee on Banking and Currency this morning.

At the present time the Department of Agriculture contains a division or commission which is conducting a continuing study of agricultural prices. Most of the price problems referred to by the Senator from North Dakota relate to food and agricultural items. Such studies may properly be made by the Department of Agriculture.

Furthermore, there is within the Department of Labor a Bureau of Labor Statistics, which of course studies consumer prices.

As the Senator from New York has stated, the Committee on Banking and Currency discussed this morning, in executive session, the question of whether a special committee should be constituted for the purpose of studying consumer interests, and, if so, how it should be done.

I am informed that the Joint Committee on the Economic Report is also considering the same subject.

So, in addition to 2 agencies of the Government, namely, the Department of Agriculture and the Department of Labor, which are now equipped to prepare such statistical data, 2 committees of the Senate are discussing how best to protect the consumers' interests, if they should be protected.

So, the Bureau of the Budget, in its revised budget figures, quite correctly, in my humble judgment, eliminated the appropriation for the time being so far as the Federal Trade Commission is concerned, in view of the uncertainty as

to which agency of Government should conduct such a study and how best it could be conducted.

Mr. LANGER. Mr. President, will the Senator from Massachusetts yield?

Mr. SALTONSTALL. I should like to finish my statement.

Mr. President, I hope that the committee's action in not striking the provision from the House bill, as it came to the Senate, will be sustained, and that the amendment offered by the Senator from North Dakota [Mr. LANGER] will not be adopted. I yield for a question, to the Senator from North Dakota.

Mr. LANGER. Mr. President, is it not true that the Federal Trade Commission has done this job for 40 years?

Mr. SALTONSTALL. I cannot answer that question factually. I assume it is the function of the Federal Trade Commission to study matters which affect trade and business in their various aspects.

Mr. LANGER. Does not the Senator know that time after time the Federal Trade Commission has published pamphlets, with graphs, showing how much the farmer gets and how much the middleman gets out of the consumer's dollar, and that the Federal Trade Commission has done that work for 40 years?

Mr. SALTONSTALL. As I understand, the Federal Trade Commission will go forward with performing the duties which it has always performed in the past. The proviso ban was placed in the bill so as to eliminate a study which was begun last year by an Executive order signed by President Truman.

Mr. LANGER. Does not the Senator from Massachusetts know that if the proviso is permitted to remain in the bill the Federal Trade Commission cannot go ahead with the study?

Mr. SALTONSTALL. If the language is stricken out it will not be able to go ahead, because there will be no money available.

Mr. LANGER. They are asking for only \$86,000 for this work. Does not the Senator understand that even though no money is provided for this purpose the study will be made nevertheless?

Mr. SALTONSTALL. It is entirely within the jurisdiction of the Federal Trade Commission to determine how it will carry on its work. I say that a breakdown of the Federal Trade Commission's funds does not provide for the special study, which was begun under an Executive order signed by President Truman a year ago.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. SALTONSTALL. I yield.

Mr. TAFT. Is it not obvious that the main purpose of the Federal Trade Commission has nothing to do with this study at all? The main function of the Federal Trade Commission is to prevent unfair competition in business. It was set up under the Clayton Act and under the Robinson-Patman amendment. In other words it has had nothing to do with such studies. Is not what I have stated the Senator's understanding of the function of the Federal Trade Commission?

Mr. SALTONSTALL. That is my understanding.

Mr. TAFT. That is, until President Truman chose to impose a consumer study upon it. Is that not correct?

Mr. SALTONSTALL. That is my understanding.

Mr. TAFT. Mr. President, will the Senator from Massachusetts yield further?

Mr. SALTONSTALL. I yield.

Mr. TAFT. Do not the Bureau of Labor Statistics and the Department of Agriculture furnish every bit of information anyone could possibly want to have? I believe so. Of course, someone could coordinate the information.

I have seen the economic reports issued by the Bureau of Labor Statistics. The reports are prepared directly from their figures. They determine what the cost of living is. In order to determine the cost of living they have to determine how the consumer's dollar is divided, and they have to determine how much the consumer spends for food and how much he spends for clothing. They determine how much the average American family spends. Those studies are conducted completely and very satisfactorily.

When it comes to determining how much finally goes to the farmer, the Department of Agriculture is constantly publishing statistics showing how much the farmer gets. He received nearly 53 percent of the consumer's dollar about 2 years ago. As prices went down his share of the consumer's dollar has gone down to about 46 or 47 percent.

It is not the ascertainment of the facts that is involved. The question is, What do we do with the facts that are ascertained? It seems to me we are duplicating statistical surveys throughout the Government. Certainly I would welcome the adoption of a provision which would eliminate an additional statistical survey.

Mr. SALTONSTALL. I thank the Senator from Ohio for stating the subject so clearly.

Mr. MAYBANK. Mr. President, will the Senator from Massachusetts yield?

Mr. SALTONSTALL. I yield.

Mr. MAYBANK. Mr. President, after hearing the arguments which have been made on the subject, particularly the explanation by the Senator from Ohio [Mr. TAFT], as to what is to be done with the results of the surveys, it should be stated that the committee agreed with the House to eliminate this item from the appropriation bill because there are now before the Senate numerous requests for appropriations for studies of the same subject. Such requests are before the Committee on Rules and Administration and the Committee on Banking and Currency.

For example, a resolution has been submitted by the distinguished Senator from Iowa [Mr. GILLETTE], providing \$50,000 for such purpose, and the resolution is sponsored by several other Senators.

I may say to the Senator from Massachusetts—and I ask him whether he agrees with me—that I believe if the study should be made it should be made in the form of a congressional inquiry, to find out what should be done, rather than through statistics gathered by the De-

partment of Agriculture and various other departments of the Government.

Mr. SALTONSTALL. I agree with the Senator from South Carolina. The reason we supported the action of the House was because of the uncertainty which exists at the present time and because of the duplication of effort which would result if the study were continued.

Mr. MAYBANK. It is a fact, I may say, that Congress has requests before it for congressional committees to undertake the same kind of study, and such requests have been filed with the Committee on Rules and Administration.

Mr. SALTONSTALL. I cannot say that of my own knowledge; but if the Senator from South Carolina tells me that is a fact, I am sure it is.

Mr. MAYBANK. I may say that the Banking and Currency Committee held a hearing on that matter this morning.

Mr. SALTONSTALL. Of course, I know of that hearing.

Mr. LEHMAN. Mr. President, will the Senator from Massachusetts yield to me?

Mr. SALTONSTALL. Previously I agreed to yield next to the Senator from Illinois [Mr. DOUGLAS], to whom I shall yield now, if the Senator from South Carolina has concluded—unless the Senator from New York wishes to ask a question of the Senator from South Carolina.

Mr. LEHMAN. Yes, I do.

Mr. SALTONSTALL. Then I yield to the Senator from New York.

Mr. LEHMAN. Unfortunately, Mr. President, the very distinguished and very able Senator from South Carolina [Mr. MAYBANK] was not present at the meeting this morning of the Banking and Currency Committee—

Mr. MAYBANK. I was present this morning at the meeting of the Appropriations Committee, in connection with certain mutual-aid appropriations.

Mr. LEHMAN. I know that, and I realize that the Senator from South Carolina cannot be at two places at any one time, although we would like him to be, and it would be very useful if he could be.

Let me inform the Senator from South Carolina that at the meeting this morning of the Banking and Currency Committee, there was no indication that the committee favored the Gillette resolution and would report it; and I point out that a failure to report and act favorably on that resolution would leave us without assurance that the Government would study the subject of the consumer's dollar.

I hope the Banking and Currency Committee will report the resolution, and I hope the Senator from South Carolina will support it. However, there is no indication that the resolution will be reported.

Mr. MAYBANK. Of course I cannot speak for the Banking and Currency Committee. I merely say that this morning I was not present at the meeting of that committee because I was in attendance at a meeting of the Appropriations Committee, in connection with certain mutual-aid appropriations.

Mr. LEHMAN. I realize that. My purpose was merely to inform the Senator from South Carolina what happened to the resolution of the Senator from Iowa, and I do so only because the Senator from South Carolina referred to that resolution.

Mr. MAYBANK. I referred to the resolution because, let me say frankly; when we wrote up the independent offices appropriation bill, various resolutions of that sort were pending. There were more of them in the House of Representatives.

Mr. SALTONSTALL. Mr. President, at this time I yield to the Senator from Illinois.

Mr. DOUGLAS. Mr. President, in connection with food products, is not the difficulty that although we can, from the figures of the Bureau of Labor Statistics, measure the amount the average family spends for food, and we can also measure from the figures of the Bureau of Agricultural Economics the amount the farmer receives for that composite market basket, let us say, and therefore we can determine the amount of the gross spread, there are no figures to show the amounts which go to the retailers, the wholesalers, and the jobbers, when they are involved, and the amounts which go for transportation and the amounts which go to the processors?

Therefore, whenever question is raised as to whether possibly the processors are receiving the added markup, they will reply, "No, it is the retailer or the wholesaler who is receiving it."

So a study of this type, showing the distribution of the spread, would enable us, so to speak, to put the finger on the places and the functions where the mark-ups really go.

I think that is the purpose of the amendment of the Senator from North Dakota [Mr. LANGER] and the resolution of the Senator from Iowa [Mr. GILLETTE].

Mr. SALTONSTALL. In reply, let me say that of course the Department of Labor gathers the statistics of various costs—

Mr. DOUGLAS. It does so in the case of costs for the consumers.

Mr. SALTONSTALL. And the Department of Agriculture does the same.

Mr. DOUGLAS. It does so in the case of the various costs for the farmers.

Mr. SALTONSTALL. Mr. President, if there is to be a new Senate committee, it seems to me it will be much more advisable to have this work handled by such a group—as, for instance, a committee to investigate and study problems affecting the consumers, as proposed to be created by the resolution of the Senator from Iowa [Mr. GILLETTE]. I believe it will be more appropriate to have such a group study this question, rather than to assign the study to the Federal Trade Commission, which has many functions of a different character to perform. Furthermore, the cost of having the work done by that agency would probably be much greater than the cost of having it done elsewhere in the Government.

Mr. DOUGLAS. Mr. President, will the Senator from Massachusetts yield for another question?

Mr. SALTONSTALL. Certainly.

Mr. DOUGLAS. I should like to preface the question by making a statement of fact.

Mr. SALTONSTALL. Certainly.

Mr. DOUGLAS. I jotted down the figures the Senator from North Dakota [Mr. LANGER] stated during the course of his address. He said that in 1951 the average family of 3 spent \$723 for food, and the farmers received \$363 of that amount. If my subtraction is correct, that left \$360 for the intermediate stages. Thus, the split was approximately 50-50.

Then, in 1952, as I understood the Senator from North Dakota, the Bureau of Labor Statistics showed that the consumers spent \$740 for food, and the Bureau of Agricultural Economics showed that the farmers received, for the same quantity of food, \$353. Again, if my subtraction is correct, that meant that the groups in between received \$387; in short, that although the farmers received \$10 less, the middlemen received \$27 more, or an increase of approximately 7 percent.

The problem is to locate where the difference goes. Does the retailer receive it or does the wholesaler receive it, or do the railroads or the processors receive it?

Charges have been made that there are agreements between the processors and that there is not perfect competition between them. I do not know the degree to which the charges may be correct, but certainly that would seem to be one of the very functions of the Federal Trade Commission as it was established. So it seems to me the Federal Trade Commission would be a very admirable body to determine whether the competitive system is working.

Mr. SALTONSTALL. I respectfully reply to my friend the Senator from Illinois, who is a distinguished professor of economics in his own right, that it seems to me he has answered his own question to a great degree. He shows that the ultimate question is how much the farmers receive and how much the other groups receive. Obviously, the processors are receiving the difference.

Mr. DOUGLAS. No; I am sure the Senator from Massachusetts does not wish to be unfair to the processors, and I wish to hasten to their defense, because there are retail markups and wholesale markups and transportation costs, and it is not possible to allocate the responsibility to any one of the various stages.

Mr. SALTONSTALL. Yes; I meant to refer to all the stages.

Mr. DOUGLAS. I understand.

Mr. SALTONSTALL. I repeat that at the present time the important matter is to have the proper agency do the work. Perhaps 6 months or a year from now we shall get the right agency to do it, with the help of Congress, and with a clearer understanding of the various correlated functions of the agencies.

Mr. DOUGLAS. Does not the Senator from Massachusetts feel that at the present time we are in a sort of "button, button, who has the button?" game, and it is impossible to determine who has it? If we place our finger on one agency, it

replies, "The responsibility is somewhere else."

Mr. SALTONSTALL. I think Congress should determine who should do that work.

Mr. DOUGLAS. Should not we delegate the Federal Trade Commission to do it for us?

Mr. SALTONSTALL. Let us consider the matter further when the Banking and Currency Committee has considered the matter and when the Joint Committee on the Economic Report also has done so.

Mr. LEHMAN. Mr. President, will the Senator from Massachusetts yield to me?

The PRESIDING OFFICER (Mr. PAYNE in the chair). Does the Senator from Massachusetts yield to the Senator from New York?

Mr. SALTONSTALL. I yield.

Mr. LEHMAN. I believe I am correct in stating that a committee amendment to the appropriation bill carries an item of \$4,053,800 for the Federal Trade Commission. Is it not a fact that that Commission is making, and has been making, a great number of surveys, studies, and investigations regarding the matters coming within its jurisdiction?

I wonder whether the Senator from Massachusetts will state whether to his knowledge there has ever been a legislative prohibition—certainly there is none in this bill, other than that contained in the last three lines on page 11—similar to the following:

No part of the foregoing appropriation shall be available for a statistical analysis of the consumer's dollar.

I wonder why, in view of the fact that there is no other agency that could make the investigation or study, the Senator from Massachusetts feels that it is sound procedure to include a prohibition against one particular study or investigation, whereas the Federal Trade Commission, as we know, makes hundreds and hundreds of studies, investigations, and surveys.

Mr. SALTONSTALL. I would say to my colleague, the Senator from New York, I shall not attempt to break down all the figures, because it would take too much time; but in the Bureau of Antimonopoly there are 168 positions, and the Bureau spent a total of \$1,130,835. The Bureau of Antideceptive Practices has 150 positions, and had an allotment for personal services for the fiscal year 1953 in the amount of \$999,400. The Bureau of Industrial Economics has 82 employees, and had an allotment in 1953 for personal services in the sum of \$514,730. The other items are printing and binding, general operating expenses, stenographic pool, legal records, and so forth. But those are the three breakdowns of the costs of the various studies pursued by the Federal Trade Commission for the objectives indicated. The provision here in question, as I understand, was inserted because it had to do with a special study, outside the scope of the ordinary duties of the Commission, which was requested by an Executive order of President Truman.

Mr. LEHMAN. Mr. President, will the Senator yield for a further question? Mr. SALTONSTALL. I yield.

Mr. LEHMAN. I wonder whether the Senator would agree with me that the amendment proposed by the Senator from North Dakota would not increase the appropriation by a red cent; that the Commission would still receive \$4,054,800, as provided in the bill—assuming, of course, that the Senate and House agree to the appropriation—regardless of whether the language contained in the proviso on page 11, beginning at line 20, is stricken out as a result of the amendment proposed by the Senator from North Dakota. I ask again whether the Senator will not agree with me that the amendment proposed by the Senator from North Dakota would not affect, even to the extent of 1 cent, the appropriation which has been recommended by the committee.

Mr. SALTONSTALL. Oh, of course, I agree with that statement. There is an overall fund which can be spent; but, as I have said, the breakdown submitted by the Bureau of the Budget eliminated the proposed study, and, presumably, the House determined that since the Bureau of the Budget did not specifically include the provision, the language now in question was advisable. The Senate committee did not see fit to change it. That is the present situation.

Mr. LANGER. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. PORTER in the chair). The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Anderson	Fulbright	McCarthy
Barrett	Gillette	McClellan
Beall	Goldwater	Millikin
Bennett	Gore	Monroney
Bricker	Griswold	Morse
Bridges	Hendrickson	Mundt
Bush	Hickenlooper	Neely
Butler, Md.	Hill	Pastore
Byrd	Hoey	Payne
Capehart	Holland	Potter
Carlson	Humphrey	Purtell
Case	Hunt	Robertson
Chavez	Ives	Russell
Cooper	Jenner	Saltonstall
Cordon	Johnson, Colo.	Smathers
Daniel	Johnston, S. C.	Smith, Maine
Dirksen	Kilgore	Sparkman
Douglas	Kuchel	Stennis
Duff	Langer	Symington
Dworshak	Lehman	Taft
Eastland	Long	Thye
Ellender	Magnuson	Watkins
Ferguson	Malone	Welker
Flanders	Mansfield	Williams
Frear	Maybank	Young

The PRESIDING OFFICER. A quorum is present.

Mr. DOUGLAS. Mr. President, I ask for the yeas and nays on the pending amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from North Dakota. On this question the yeas and nays are requested.

The yeas and nays were ordered.

Mr. SALTONSTALL. Mr. President, I should like to say that the amendment would strike out lines 21 to 23, inclusive, on page 11 of the bill. I hope the amendment will not be adopted. There is no provision in the bill for the continuation

of such a statistical study. The proviso is in accord with the revised budget. At the present time the work is being done, in part, at least, by the Department of Agriculture and the Department of Labor, and there is a resolution pending now before the Committee on Banking and Currency with respect to this very subject. There would be a duplication of work, and it is much easier to leave the proviso in the bill in order to determine how the work can best be done.

So, Mr. President, I hope the amendment will not be adopted.

Mr. LANGER. Mr. President, as the proponent of this amendment, I desire to make it clear that the Federal Trade Commission has done this work for the past 40 years. Ever since the Federal Trade Commission was created one of its functions has been to do this work. It has done a good job. For the life of me, Mr. President, I cannot understand why, all of a sudden, the Federal Trade Commission is no longer to do the work. There is talk about its being done piecemeal, through an investigation by the Congress. I respectfully submit that the Federal Trade Commission, under its new Chairman, is very able to handle it and to do a good, competent job out of its appropriation of approximately \$4 million, even though no funds are specifically set apart for this particular study. The consumer and the farmer are entitled to know where their dollar goes.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from North Dakota [Mr. LANGER].

Mr. DOUGLAS. Mr. President, the issue is a very simple one, as to whether the study shall be continued now or whether it shall be postponed to the indefinite and indeterminate future.

Mr. GOLDWATER. Mr. President, I should like to invite the attention of the proponents of the amendment to the fact that the information involved has always been available from various private sources. The Harvard School of Business has provided it for years, as have the American Institute and other private institutions. Any consumer can readily see where his dollar goes.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from North Dakota [Mr. LANGER]. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The Chief Clerk called the roll.

Mr. SALTONSTALL. I announce that the Senator from Vermont [Mr. AIKEN], the Senator from California [Mr. KNOWLAND], the Senator from New Jersey [Mr. SMITH], and the Senator from Wisconsin [Mr. WILEY] are absent on official business at the White House.

On this vote the Senator from California [Mr. KNOWLAND] is paired with the Senator from Tennessee [Mr. KEFAUVER] and the Senator from New Jersey [Mr. SMITH] is paired with the Senator from Montana [Mr. MURRAY]. If present and voting the Senator from California would vote "nay" and the Senator from Tennessee would vote "yea." The Senator from New Jersey would vote

"nay" and the Senator from Montana would vote "yea."

The Senator from Nebraska [Mr. BUTLER] is necessarily absent.

On this vote the Senator from Nebraska [Mr. BUTLER] is paired with the Senator from Washington [Mr. JACKSON]. If present and voting the Senator from Nebraska would vote "nay," and the Senator from Washington would vote "yea."

I announce further that the Senator from Kansas [Mr. SCHOEPP] is necessarily absent, the Senator from New Hampshire [Mr. TOBEY] is absent on official business and the Senator from Pennsylvania [Mr. MARTIN] is absent by leave of the Senate.

Mr. DOUGLAS. I announce that the Senator from Kentucky [Mr. CLEMENTS] is absent by leave of the Senate on official business.

The Senator from Georgia [Mr. GEORGE], the Senator from Rhode Island [Mr. GREEN], and the Senator from Texas [Mr. JOHNSON] are absent on official business at the White House.

The Senator from Arizona [Mr. HAYDEN], the Senator from Missouri [Mr. HENNING], the Senator from Washington [Mr. JACKSON], the Senator from Tennessee [Mr. KEFAUVER], the Senator from Massachusetts [Mr. KENNEDY], the Senator from Oklahoma [Mr. KERR], and the Senator from North Carolina [Mr. SMITH] are absent on official business.

The Senator from Nevada [Mr. McCARRAN], and the Senator from Montana [Mr. MURRAY] are absent by leave of the Senate.

I announce that on this vote the Senator from Washington [Mr. JACKSON] is paired with the Senator from Nebraska [Mr. BUTLER]. If present and voting, the Senator from Washington would vote "yea," and the Senator from Nebraska would vote "nay."

I announce further that the Senator from Tennessee [Mr. KEFAUVER] is paired on this vote with the Senator from California [Mr. KNOWLAND]. If present and voting, the Senator from Tennessee would vote "yea," and the Senator from California would vote "nay."

The Senator from Montana [Mr. MURRAY] is paired on this vote with the Senator from New Jersey [Mr. SMITH]. If present and voting, the Senator from Montana would vote "yea," and the Senator from New Jersey would vote "nay."

The result was announced—yeas 30, nays 45, as follows:

YEAS—30

Anderson	Johnson, Colo.	Morse
Chavez	Johnston, S. C.	Neely
Douglas	Kilgore	Pastore
Eastland	Langer	Russell
Fulbright	Lehman	Smathers
Gillette	Long	Sparkman
Gore	Magnuson	Stennis
Hill	Malone	Symington
Humphrey	Mansfield	Welker
Hunt	Monroney	Young

NAYS—45

Barrett	Cooper	Griswold
Beall	Cordon	Hendrickson
Bennett	Daniel	Hickenlooper
Bricker	Dirksen	Hoey
Bridges	Duff	Holland
Bush	Dworshak	Ives
Butler, Md.	Ellender	Jenner
Byrd	Ferguson	Kuchel
Capehart	Flanders	Maybank
Carlson	Frear	McCarthy
Case	Goldwater	McClellan

Millikin	Purtell	Taft
Mundt	Robertson	Thye
Payne	Saltonstall	Watkins
Potter	Smith, Maine	Williams

NOT VOTING—21

Aiken	Jackson	McCarran
Butler, Nebr.	Johnson, Tex.	Murray
Clements	Kefauver	Schoeppel
George	Kennedy	Smith, N. J.
Green	Kerr	Smith, N. C.
Hayden	Knowland	Tobey
Hennings	Martin	Wiley

So Mr. LANGER's amendment was rejected.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. IVES. Mr. President, on page 47, lines 2 and 3, appears a reduction of \$2,500,000 in the authorization for the Federal Housing Administration—

Mr. MAYBANK. Mr. President, will the Senator yield?

Mr. IVES. I yield.

Mr. MAYBANK. I merely wished to suggest that it is not a reduction in the sense of a saving of money to the taxpayer. It is merely a limitation on the amount the FHA can spend on the work it is doing, which amount comes out of what the FHA earns. I ask the Senator from New York if that is not correct.

Mr. IVES. I will not disagree with what the distinguished Senator from South Carolina has to say. The reduction to which I refer is a reduction of the House figure. The House figure is \$27,500,000. The Senate committee figure is \$25 million.

Mr. MAYBANK. I wish to make clear to the distinguished Senator from New York, who is chairman of the Subcommittee on Housing, that it is not a reduction to the taxpayer. It is a limitation on expenditures.

Mr. IVES. That is correct. I used the term "authorization" in my statement initially.

Mr. MAYBANK. In substance the taxpayers do not save anything.

Mr. IVES. The taxpayers do not save anything one way or the other by this operation.

Mr. MAYBANK. I thank the Senator.

Mr. IVES. It has nothing to do with the taxpayers.

While I do not wish to take issue with the Committee on Appropriations, I am wondering if it is not possible to substitute some other figure. I have in my hand a memorandum which I believe to be accurate, and which I desire to present at this point in my remarks, because I think it is rather important and should be considered.

The bill as reported by the committee cuts the Federal Housing Administration's authorization for nonadministrative expenses from \$27,500,000 to \$25 million.

FHA is entirely self-supporting. These funds come out of FHA's insurance income and not out of the Treasury. FHA collects \$4 for every dollar it spends for operating expenses.

The cut of \$2,500,000 would not save money. The cut would mean just this—that FHA would be unable to process about 100,000 unit applications for mortgage insurance. The fees and initial premiums alone on these applications would total more than \$6 million. This would not be true economy.

The cut would not be a true economy for another important reason. It would prevent FHA from doing an adequate job of risk analysis and inspection of properties.

Mr. DOUGLAS. Mr. President, will the Senator yield for a question?

Mr. IVES. Let me complete this statement, and then I should be glad to yield.

This would seriously increase the risk of future insurance losses—losses which could be far in excess of the \$2,500,000 cut. FHA is an insurance company. If any insurance company is prevented from analyzing its risks, it is put in a dangerous position. The expenditure of this \$2,500,000 now is insurance for solvency in the future.

FHA's business has increased. The volume of applications has been running 20 percent above last year. In the month of April, new construction home mortgage insurance applications were 36 percent above the corresponding period last year. In the face of this increased workload, FHA should not be required—as it would be by this budget reduction—to cut 600 employees out of its field staff totaling less than 4,100.

The cut should be restored also because it would deprive thousands of prospective homeowners of the benefits of FHA mortgage insurance. It would deprive members of the public of the service they are entitled to receive from FHA for the fees and premiums they pay.

FHA has an excellent reputation for economy, efficiency, and service. It has served directly more than 3 million homeowners with mortgage insurance. In addition, it has helped to repair and maintain 15 million American homes. It has improved housing standards throughout the country and its constructive influence has been felt not only in the mortgages it has insured but also in better lending practices on uninsured loans. One out of every four new homes in this country is started under FHA. It has benefited homeowners, builders, workers, and lenders alike. FHA has written about \$30 billion of insurance and it has not cost the taxpayer 1 cent.

In the fiscal year 1954 alone it is estimated that FHA will insure 2,200,000 home repair and improvement loans and receive mortgage insurance applications covering about 572,000 dwelling units. It is estimated that it will collect fees and premiums of \$138,300,000 out of which it will pay operating expenses of \$33,100,000. This is an expense to income ratio of less than 25 percent—a much more favorable ratio than that of any of the leading nonlife stock insurance companies.

This is a fine record. I cannot urge too strongly that FHA's nonadministrative expense authorization be restored to \$27,500,000.

The figures which I have just read show an anticipated profit of more than \$100 million for the coming year.

Mr. YOUNG and Mr. MAYBANK addressed the Chair.

The PRESIDING OFFICER. Does the Senator from New York yield; and if so, to whom?

Mr. IVES. I yield first to the Senator from North Dakota.

Mr. YOUNG. Mr. President, this cut was made pursuant to a motion which I made in the full Committee on Appropriations. It was based largely on many letters which I had received from several States, stating that the State offices of the Housing Administration were staffed by politicians of long standing who did not know their work. The offices are said to be overstaffed. My thought was that even though this is not money which comes out of the Federal Treasury, nevertheless it is money paid in by the people all over the United States, and therefore there is no need of wasting money, even though it is not Government money.

I think the cut was possibly a little too deep. I wonder if the Senator would accept an amendment restoring all but \$1 million; in other words, restoring the amount to \$26,500,000?

Mr. IVES. Mr. President, I wish to be reasonable. Heaven knows, I am not trying to do something which is out of order. I am just as much for economy as is any other Member of the Senate. However, I am inclined to think that in this instance we are being penny-wise and pound-foolish. If there are 600 inefficient employees, for heaven's sake get rid of the 600 inefficient employees and replace them by 600 who are efficient, if there is any way of doing it. That is the way to solve that problem.

It now takes 8 weeks to process an application. Such delay is holding up the construction industry to a great extent. It is anticipated that the proposed reduction, which would cut the field force from 4,100 to 3,500, would cause the processing time to be extended to 10 weeks. That would not be desirable. It would only hurt the building industry.

Mr. YOUNG. Mr. President, will the Senator yield further?

Mr. IVES. I yield.

Mr. YOUNG. The reduction referred to is similar to that which we are imposing upon every other agency of the Federal Government. Is that not correct?

Mr. IVES. Mr. President, what does the Senator mean by every other agency? Does he mean every other agency which earns money, or all agencies of the Federal Government?

Mr. YOUNG. I think almost every other agency is being cut very heavily on administrative expenses.

Mr. IVES. I am all in favor of cutting expenses. However, we are dealing with an agency which is not able to do promptly what it is supposed to do. The proposal is to cut the appropriation by about 20 percent, in order to try to save some money.

Mr. MAYBANK. Mr. President, will the Senator yield?

Mr. IVES. In a moment. If the purpose of the reduction is to eliminate six or seven hundred inefficient employees, I say by all means we should eliminate them and replace them with six or seven hundred efficient employees.

Mr. YOUNG. Mr. President, will the Senator yield further?

Mr. IVES. I yield.

Mr. YOUNG. I believe the only way we can get rid of inefficiency is to cut out some of the deadwood.

Mr. IVES. I am not opposed to that.

Mr. YOUNG. The only way we in Congress can get results is by cutting down the appropriations for administration costs.

Mr. IVES. I am not opposed to that at all. However, there are other ways of assuring efficiency than by cutting people out of jobs.

Mr. MAYBANK. Mr. President, will the Senator yield?

Mr. IVES. I yield.

Mr. MAYBANK. Mr. President, I appreciate the remarks of the Senator from New York. I wish to make the record crystal clear that the housing law which was originally passed gave the FHA the right to spend 35 percent of its collections, including fees, which it earns. If that provision were in effect, they could spend nearly \$40 million.

Mr. IVES. Much more than \$40 million.

Mr. MAYBANK. I am speaking in round figures.

Mr. IVES. It would be more than \$50 million.

Mr. MAYBANK. It would not be any saving in money to limit the FHA in the manner proposed by the Senator from South Dakota. The amount has been cut down from the amount which the House provided and from the amounts proposed by the subcommittee and the full committee. Now it is proposed to cut the amount further by \$2 million. As the Senator from New York has so ably stated, the FHA is far behind in its work. They are not taking care of the mortgages in the way they should take care of them, from the standpoint of administration.

As the Senator from New York has stated, FHA is doing a very good job, but I know that the processing of mortgages in my State is far behind. In some cases the FHA is as much as 6 and 7 months behind in its work. It should be noted that the taxpayers do not pay for this service. Under the original housing law a definite limitation is in effect as to what the FHA may spend from its fees and premiums. All of us want to be fair to public housing and fair to slum clearance.

I think we would go too far if we were to cut the amount from \$40 million to \$12½ million. It should be borne in mind that this is not taxpayers' money.

I thank the Senator from New York for his explanation.

Mr. SALTONSTALL. Mr. President, will the Senator from New York yield?

Mr. IVES. I yield.

Mr. SALTONSTALL. I would say to the Senator from New York that I agree with what the Senator from South Carolina has stated.

On Friday last, when the Senator from New York [Mr. Ives] was not in the Chamber I stated it was my feeling, from information which I had later received, that the committee had cut the item too much. If the Senator from New York will accept the suggestion of the Senator from North Dakota [Mr. YOUNG] I assure him the committee will give the matter very careful consideration in conference.

Mr. IVES. The Senator from North Dakota [Mr. YOUNG], I understand, is willing to make the figure \$26½ million.

Mr. SALTONSTALL. If the Senator from New York will accept the amendment and let us take it to conference, we shall try to work it out, so the FHA will be able to perform its work efficiently and at the same time permit us to save some money.

Mr. IVES. I am very agreeable to it. If it is to be \$26½ million, it is satisfactory to me.

Mr. MAYBANK. Mr. President, will the Senator from New York yield further?

Mr. IVES. I yield.

Mr. MAYBANK. I appreciate what the Senator from New York has stated. Instead of saving money, if we do away with the premiums and fees and hold back the mortgages, the Federal Government in the end, and those who hold the mortgages, will lose money.

Mr. IVES. I should like to point out that we are still a million dollars short of what should be the amount, and that will probably mean the dismissal of more than 200 employees, which will cripple the work of the agency to some extent.

I ask the committee, in conference, to seek the restoration of the amount of \$27,500,000 because the \$27,500,000 is really necessary to carry on the work properly.

Mr. WATKINS. Mr. President, will the Senator yield?

Mr. IVES. I yield.

Mr. WATKINS. What was the amount of the appropriation last year, for the Housing Administrator?

Mr. IVES. I do not have that before me.

Mr. WATKINS. It was substantially the same, as I understand. Without this cut, it was substantially the same, was it not?

Mr. IVES. I assume it was.

Mr. WATKINS. How did the agency get so far behind?

Mr. IVES. They have been far behind for a long time and because of the time it takes to process applications and the constantly increasing number of applications. If the Senator had been here when I read a memorandum, he would have noticed how much the number of applications has increased. In April alone the number of applications had increased more than 36 percent over the corresponding period last year. The volume of applications this year is running more than 20 percent above last year. That is why they are constantly getting behind in their work. I do not argue on behalf of inefficient employees. I have no more use for them than anyone else. If the delay is due to inefficiency, let us get rid of the whole 4,100 employees and replace them with efficient employees. However, we are not accomplishing anything by cutting down on the work and by having the agency inadequately staffed, regardless of the qualifications of the employees.

Mr. WATKINS. I may say to the Senator that I am in favor of appropriating for the agency sufficient money to enable it to do business efficiently. However, the Senator from North Dakota [Mr. YOUNG] has pointed out that charges of inefficiency have been made,

as well as charges of wasting money. I wonder whether the Senator from New York can point out how, under Civil Service, we can get rid of the inefficient employees.

Mr. IVES. We can always take care of civil service by passing a law applicable to this agency. I know that the builders who deal with this agency are satisfied with the work it is doing.

Mr. WATKINS. But they do not have to pay the employees. They are paid by the people who buy the homes.

Mr. IVES. But it is important to expedite the processing of the applications, and the number of applications has been steadily mounting. It is also true that the cost of the homes built has been steadily mounting.

Mr. WATKINS. I am not objecting to giving the agency sufficient money with which to do its work. However, I think there should be efficiency in the agency, and I am pointing out to the Senator from New York that we ought to find some constructive way of getting rid of inefficient employees.

Mr. IVES. I am in favor of it.

Mr. WATKINS. Since the new administration came into power we have not been able to get rid of inefficiency.

Mr. IVES. Of course, I am not in favor of inefficiency; but we should not proceed by penalizing the construction industry itself.

Mr. MAYBANK. I am not in favor of penalizing anyone. I think there should be found a way of getting rid of incompetent employees and of the politicians who appointed them under the spoils system, and froze them into positions in the civil service which apparently have been made permanent.

Mr. IVES. I am in favor of doing that.

Mr. MAYBANK. Mr. President, will the Senator yield?

Mr. IVES. I yield.

Mr. MAYBANK. The Senator from Utah speaks about the spoils system. The President has appointed a new Director of FHA, and the distinguished Senator from New York is aware of his qualifications. If there is any spoils system in that agency, the present administration should do away with it. On this side of the aisle we do not want any spoils system in housing, which has been a bipartisan undertaking ever since I have been in the Senate, and I have been here for a long time.

Mr. IVES. I want to assure the Senator from South Dakota that every Senator on this side of the aisle will never have any part of any spoils system, either.

Mr. MAYBANK. I thank the Senator.

The PRESIDING OFFICER. Under the terms of the unanimous-consent agreement entered into on Friday last, the vote by which the committee amendment on page 47, line 2, was agreed to is reconsidered.

The question is on agreeing to the amendment offered by the Senator from New York [Mr. Ives] to the committee amendment on page 47, line 2, to strike out the figure "\$27,500,000" and to insert in lieu thereof the figure "\$26,500,000."

Without objection, the amendment is agreed to.

Mr. DOUGLAS. Mr. President, I desire to be recorded as voting in the negative.

Mr. DIRKSEN. Mr. President, has the question been put?

The PRESIDING OFFICER. The amendment has been agreed to, without objection.

Mr. DIRKSEN. I ask that the question be put.*

Mr. DOUGLAS. I ask for a voice vote.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from New York [Mr. Ives] to the committee amendment, on page 47, line 2, to strike out the figure "\$27,500,000" and to insert in lieu thereof the figure "\$26,500,000." [Putting the question.]

The amendment to the amendment was agreed to.

The amendment, as amended, was agreed to.

The PRESIDING OFFICER. The Chair recognizes the Senator from Wisconsin [Mr. McCARTHY].

Mr. McCARTHY. Mr. President, to the committee amendment on page 20, in line 14, I offer the amendment which I send to the desk and ask to have stated; and I request immediate consideration of the amendment I offer to the committee amendment.

The PRESIDING OFFICER. The amendment submitted by the Senator from Wisconsin to the committee amendment will be stated.

The CHIEF CLERK. In the committee amendment on page 20, in line 14, it is proposed to strike out "\$3,330,000" and in lieu thereof to insert "\$4,130,000."

Mr. McCARTHY. Mr. President, I was not present when the Appropriations Committee acted on this matter; at the time, I was presiding as chairman of another committee. Normally I would be inclined to go along with the Appropriations Committee. However, I think a very important item was deleted from the bill because of lack of information about it.

In 1948, during the most acute part of the housing shortage, our joint committee on housing traveled approximately 30,000 miles and held hearings throughout the United States. One of the things that we found was preventing a young man from receiving a dollar's worth of housing for every dollar he spent for housing was the complete lack of uniformity among the various building codes, including the plumbing codes, and even in respect to the measurement of equipment going into homes. At that time our committee unanimously—including every Democratic member and every Republican member of the committee, as I recall—agreed that there should be established within the Housing and Home Finance Agency a research department which would work toward reducing the cost of the average home and toward unification of the building codes throughout the United States. That department has done an excellent job. However, I know the results of its work have not been fully felt as yet because there is a wide gap between successful research and the savings which can be accomplished thereby.

I also know that there was not presented to the Appropriations Committee a complete picture of some of the results obtained; and I think I must plead guilty for failing to ask that the hearing be held up until I could be present and could submit to the committee the material in my possession.

I may say that President Eisenhower has requested \$800,000 for this research department. The amount he has requested is considerably less than the amount Mr. Truman requested.

Mr. President, let me list a few of the accomplishments of the research department since it has been in existence. Its research has showed how the cost of the roof of a medium-priced home could be cut by \$180, or roughly 34 percent of the cost. The research department has demonstrated a way to build a frame wall in a medium-cost home at a saving of approximately \$210. It has showed builders how they could save from \$40 to \$50 on each house by proper planning of the arrangement of the plumbing fixtures and pipes. It has worked toward the establishment of a national plumbing code, which if adopted, would save approximately \$150 in the case of each house built. If all these methods or even if any single one of them were used for one-fifth of the houses built in any one year, there would be a total saving ranging from a minimum of \$8 million to a maximum of \$108 million.

I think it is false economy to delete this item of \$800,000, which, as I say, is the item President Eisenhower has requested, and is much less than Mr. Truman requested. This research department has done an extremely good job.

Let me say in closing, without taking too much of the time of the Senate, that as of today, anyone who knows the first thing about housing must be aware that a young man who wishes to build or to buy a home is still paying more than \$1 for every dollar's worth of housing he receives.

I most strongly urge the Senate to vote to restore the item of \$800,000, which President Eisenhower has requested; and on this question I ask for the yeas and nays.

The yeas and nays were not ordered.

Mr. McCARTHY. Mr. President, I ask the Senate, as a courtesy—for I think this matter is extremely important—to grant my request for the yeas and nays. It will take only 10 minutes to call the roll, and this matter is most important.

So, Mr. President, again I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. SALTONSTALL. Mr. President, let me say that \$800,000 was proposed for housing research in the revised budget. The House voted to eliminate the entire item. The full Appropriations Committee of the Senate voted against the subcommittee's recommendation of \$600,000, and joined the House of Representatives in voting to delete the entire item.

Since the committee made its report representatives of the Housing and Home Finance Agency have been to see me; and they say they need approximately

\$125,000 in order properly to liquidate the housing research program not later than April 30, 1954.

Our full committee voted against this research for the reason that we felt that today there are competing architects and various types of houses under construction in various sections of the country, in respect to which there is much competition among building contractors and private architects; and we felt that by reason of such competition in private industry the best possible housing research would be done.

The Housing and Home Finance Agency has a certain number of skilled employees; and if the research work is stopped, those employees will go to other services within the Agency. They will not necessarily be discharged if the housing-research item is eliminated from the bill.

In closing let me say that the full House Appropriations Committee and the House itself and the full Senate Appropriations Committee decided that housing research is no longer needed in view of the accelerated pace of housing construction and the efforts of the housing industry to build the best possible houses.

Mr. McCARTHY. Mr. President, will the Senator from Massachusetts yield to me?

Mr. SALTONSTALL. I yield.

Mr. McCARTHY. I think I have spent more time on housing than has almost any other Member of the Congress. I spent 8 months on it in 1948. I wonder whether the Senator from Massachusetts is aware of the fact that one of the causes for the increased cost of the average house—and every Member of Congress agreed wholeheartedly on this point—was the great divergence in building codes.

Mr. SALTONSTALL. That is correct.

Mr. McCARTHY. For instance, one city requires a certain type of roof and another city requires a certain type of wall, and another city requires that the plumbing work be done in a certain way. There is no uniformity whatever. The result is that a contractor who is building houses in one city has almost completely to change his plans if he is to build houses in another city; and that increases the cost of construction.

Is the Senator from Massachusetts aware of the fact that there is no way by which private industry can work toward a uniform building code? I believe the Senator from Massachusetts knows that I am perhaps the last Senator who would urge an increase in appropriations, for ever since I have been a Member of the Senate I have been voting for reduced appropriations.

So it is most unusual for me to request the Senate to increase an appropriation item. I do so only because I feel so very, very strongly that each one of the dollars spent upon research work—work which cannot be done by private agencies—will ultimately result in saving tens of thousands of dollars.

I understand the Senator from Massachusetts was chairman of the subcommittee. The subcommittee voted for the figure of \$600,000, instead of \$800,000,

I believe. In order to avoid the necessity of any member of the subcommittee voting against the majority of the subcommittee at this time, very reluctantly, I propose to modify my amendment to provide the identical figure which was provided by the subcommittee, namely, the figure of \$600,000, instead of \$800,000. I do not do this because I think \$600,000 is the more ideal figure. I think President Eisenhower was correct when he requested \$800,000. But I have talked with certain members of the subcommittee, as a result of which I have found that some of them are reluctant to vote for a figure other than the figure for which they voted in the subcommittee. So, Mr. President, I ask permission to modify my amendment so that it will strike out "\$3,330,000" and insert "\$3,930,000". This means that I am asking for an additional \$600,000 for the housing research program.

The PRESIDING OFFICER. Without objection, the Senator from Wisconsin modifies his amendment accordingly.

Mr. SALTONSTALL. Mr. President, I oppose the Senator's amendment to increase the amount by \$600,000, because, as chairman of the subcommittee, I am bound by the report of the full committee, as well as by the report of the subcommittee. I may say to the Senator I would accept an amendment increasing the amount by \$125,000 or \$150,000, having in mind that it would lead to a liquidation of the program on April 30, 1954. If the Senator from Wisconsin would accept that suggestion, I believe it would be fair. But I cannot accept his proposal to increase the amount by \$600,000.

Mr. McCARTHY. Mr. President, will the Senator yield?

Mr. SALTONSTALL. I yield.

Mr. McCARTHY. I certainly would not accept the Senator's suggestion. That would provide for the elimination of the research program, a program which I think is all important. If the Senator will permit me to ask one question, is it correct—and I may say I do not have the vote of the subcommittee—is it correct that the Senator from Massachusetts voted for the item of \$600,000 in the subcommittee?

Mr. SALTONSTALL. I may state to the Senator from Wisconsin that, as chairman of the subcommittee, I recommended that this matter be stricken out in its entirety. On that I was overruled by the subcommittee to the extent of \$600,000.

Mr. McCARTHY. Could the Senator tell us the vote by which the subcommittee accepted the \$600,000?

Mr. SALTONSTALL. It was a voice vote, following a discussion.

Mr. FERGUSON. Mr. President, as I view this item and certain other items, I may say I believe that last November, the people of the United States were determined to curtail bureaucracy in Washington. Here we have a typical example of a bureaucracy which I think evidences a desire to compete with the architects and construction companies as well as with individuals who desire to build homes. The item is for what is called research development. Mr. President, I find no reason for saying that

the Government should be operating within this particular field. The Senator from Wisconsin advocates an increase because, as he pointed out, as a result of this research work two or three suggestions or plans have been developed at a cost of more than \$5 million.

Mr. McCARTHY. Mr. President, will the Senator yield?

Mr. FERGUSON. I do not yield at the moment.

Mr. McCARTHY. I would like to correct the figure, if I may.

Mr. FERGUSON. What has been the entire cost of the program?

Mr. McCARTHY. The research program has not cost \$5 million.

Mr. FERGUSON. What has been the cost of it during the entire period?

Mr. McCARTHY. If the Senator will wait a moment, let us get the exact figure. I do not want to guess about it.

Mr. FERGUSON. I have the exact figure, which is \$4.3 million. I should like to inquire which, if any, of the so-called plans has been adopted by private industry? We hear pleas for economy, but the attitude seems to be, "We want everybody else to economize, except when it happens to be at the expense of a project in which we personally are interested."

Mr. McCARTHY. Mr. President, will the Senator yield again?

Mr. FERGUSON. Mr. President, if the Senate and House at this session of the Congress are not going to reduce the budget, then there will not be a balancing of the budget, and there will be no reduction of taxes in the United States. There will not be one item of the budget as to which Members of the House or of the Senate will not be importuned by people within the various departments to apply the heat, so to speak, in order to get an increase in the amount of the appropriation. I have served on the Appropriations Committee for approximately 11 years. I know the pressures which are exerted. Pleas are always made on behalf of the departments that their appropriations be not reduced.

If there ever was anything we could eliminate, it is the provision regarding the research program. I had understood that it was generally desired that this program be returned to private enterprise, in the belief that it would result in a reduction of building costs because of the competition in the building industry. This matter affects items that are in the municipal building codes, yet I am unable to find wherein the codes have been changed as the result of the research program. Why do not the people of the cities assume the burden of changing their building codes?

Mr. McCARTHY. Mr. President, will the Senator yield at that point?

Mr. FERGUSON. I will yield in a moment. Why does the agency in Washington want to hire bureaucrats for the purpose of trying to tell the people throughout the 48 States the kind of buildings they should have and the kind of building codes they should have in the thousands of cities throughout the United States? I submit we should not be meddling with the business of the

people back home in that manner. We can be spending \$800,000, or we can accept the mandate of the people given last year by cutting the budget. I hope we may soon begin cutting it.

Mr. McCARTHY. Mr. President, will the Senator yield?

Mr. FERGUSON. I yield.

Mr. McCARTHY. Mr. President, I know the Senator from Michigan is genuinely sincere. I know that over the years he has been doing a great job in trying to cut the fat out of budgets. I am sure, however, that when the Senator says this program is competing with private industry, it simply is not a correct statement. Representatives of private industry from coast to coast appeared before our committee, saying to us, "Gentlemen, if you can help us get a uniform code, we can cut the cost of building." City officials from coast to coast appeared before us, who said, "Gentlemen, we cannot hire the necessary legal talent, we cannot hire the necessary expert talent for the purpose of drafting a code which would cut the cost of building." They said, "That must be done by the Federal Government."

So I would say to the Senator from Michigan, this does not contemplate competition with private industry. It is what every builder from coast to coast wants. It is what every responsible city official wants. It is what is desired by every young man who wants a dollar's worth in return for every dollar he spends.

I may call the Senator's attention to the fact that within the very short period of time the housing research program has been in effect, it has been possible to have 41 cities adopt a model plumbing code, which was badly needed, and which was drafted under the housing research program. In addition to the 41 cities that have adopted the model plumbing code, 150 other cities, though not adopting it in toto, have in effect adopted it. I point out that this is not a proposal which would create competition with private industry. It is, on the contrary, a proposal to give to private industry the greatest assistance the Government can give to assure the building of good, reasonably priced homes.

I desire to call attention to what I consider to be not a completely accurate statement. In doing so, I wish to make it clear that I have great admiration for the Senator from Michigan who, I think, has done a great job in cutting fat from the budget, year after year. But in this matter he is not assisting in cutting out the fat. He is proposing that we cut out a very important muscle—a thing which should not be done.

Mr. FERGUSON. Mr. President, there is not a corporation counsel in any city who does not have legal talent, who does not understand the building code in his city, who will not be working constantly to improve that code, and who will not cooperate to the end that we may have good building codes all over the United States. I do not know why it should be thought that every problem, no matter what, must be brought to Washington, and that we must spend millions of dollars on it.

I do not know why the people back home are not interested in the changing of their building codes. We are told on the Senate floor that there is not a common council that does not want it and there is not a builder that does not want it. Why do not the common councils in the various cities change their own building codes? Why do they ask us to endeavor to draw a uniform building code?

Mr. McCARTHY. Mr. President, will the Senator yield at that point?

Mr. FERGUSON. I want to answer the Senator's argument.

This is another instance of "economy, but—" It does not apply if we want a certain particular item. I want to try to keep appropriations down, and here is a place where we can save almost a million dollars.

I would go along with the suggestion of the distinguished Senator from Massachusetts [Mr. SALTONSTALL] that we liquidate this agency, but it will have enough money under its present budget to continue to approximately June 1. As indicated by the House vote, by the House committee, and by the Committee of the Whole of the Senate, here is a place where we can apply the knife and cut out this item.

Mr. McCARTHY. Mr. President, will the Senator yield?

Mr. FERGUSON. I yield.

Mr. McCARTHY. The Senator from Michigan asked the question why, if it is an ideal thing to have a better building code, the common councils of the various cities do not adopt a model code?

Mr. FERGUSON. Yes; why?

Mr. McCARTHY. Mr. President, I started out feeling exactly as the Senator from Michigan feels, but as I listened to witnesses for the builders and to witnesses from various branches of city governments, I think we received a very simple answer to the question.

Let us take one of the relatively small or moderate sized cities in Michigan; let us take a city of 50,000 population. Let us assume it has a building code which is a conglomeration which has grown up over a hundred years. It has never been planned, but, like little Topsy, it just "grewed." That is what obtains in most of our cities. If the common council wants to adopt a model code prior to the operation of our research program, it will have to hire lawyers and engineers, and the average city will find it impossible to find a lawyer who is an expert on coding. If it does find one, the next thing would be to find an engineer. It will have to convince the labor leaders and leaders in industry that a new code would not adversely affect them.

We heard witnesses representing labor and industry, and witnesses from many city councils, and they all agreed that there is only one way to get a uniform code. They agreed that unless we have a uniform code, we will always pay too much for houses, and the only way to bring about a uniform code is to have a central body work with them.

This research division has worked out a model plumbing code which has been accepted by labor and industry in 41 cities, and, in essence, it has been adopted in 150 cities.

A city council cannot work out a model building code. The Senator from Michigan suggests that if they have developed a model plumbing code, why not let the research division go out of existence. They are working on a model building code, and, if it is accepted, every young man who purchases a home will pay less money for it than he has to pay at this time.

Mr. FERGUSON. I never understood the philosophy of the Federal Government in Washington to be that it should undertake to tell the respective cities what their city ordinances should be. I never understood that the province of the Federal Government was to tell the State legislatures what kind of laws they were to pass in relation to State matters or city matters.

We are now told that the proper thing to do is to form in Washington a bureaucracy with a corps of lawyers, to teach the people back home what kind of laws they should have in their cities and in their States. I cannot understand why we should be advocating on the floor of the Senate that the province of the Federal Government is to try to tell the people back home what kind of ordinances they need or what kind of laws they need. We have a big enough job in Washington to legislate on Federal matters without undertaking to tell the people of the respective cities and towns what they should do.

I hope that we shall close out this particular activity. We could keep 10,000 lawyers busy telling the people in Michigan and all the other States what kind of legislation they should put on their books. But that is not the province of the Federal Government.

Mr. McCARTHY. Mr. President, will the Senator from Michigan yield for another question?

Mr. FERGUSON. I yield.

Mr. McCARTHY. I should like to invite the Senator's attention to the fact that experience has shown that for each dollar of Federal money which has been spent on this service, the benefits received have been far beyond \$800,000, which is the appropriation sought. The agency has been working with practically all branches of the building trades; it has been working with labor and industry, and it has done an excellent job. It is now in the middle of it, and we should not cut it off. If we do, it will be the most false economy we have ever practiced, and the result will be that every young man who wants to buy a home will have to pay an increased price.

Mr. FERGUSON. Does the Senator mean to say that the General Electric Co., among the users of the service, needs the taxpayers' money in order that it may engage in research on electrical equipment? Does the Minneapolis-Honeywell Co. need the services of the United States in making research?

Mr. McCARTHY. I do not know what the General Electric Co. needs. Perhaps it can survive, regardless of whether wiring a home costs a thousand dollars or \$900. But the young man who buys a home needs it. To him it makes a great difference whether he pays \$1,000 or \$900 for the wiring of his home. If we knock

out this program, although the General Electric Co. can survive, every young man who wants to buy a home is going to have to pay more money.

Mr. FERGUSON. Where is the evidence that by reason of this research it has cost less to build a home?

Mr. McCARTHY. This research agency has already sent out the results of its experiments, which, according to industry, can mean a saving of \$150 in the cost of a home.

Mr. FERGUSON. Where is the evidence that the code has been adopted?

Mr. McCARTHY. Forty-one cities have adopted the model plumbing code.

Mr. FERGUSON. How much has been saved?

Mr. McCARTHY. I cannot give the Senator the figures. The estimate I have is that the model plumbing code will save, roughly, \$150 on an ordinary home. Obviously, the figures can vary from Flint, Mich., to Appleton, Wis. The point is that there is a saving.

I have stood with the Senator from Michigan for years in trying to cut expenditures. I think that at times I may have voted unwisely to cut some figures. This is the first time I have ever risen on the Senate floor and asked for more money in an appropriation bill. I do so because I have been following this problem closely for 5 years, and I have heard industry, labor, and homeowners begging for something along this line.

Mr. FERGUSON. It appears to me that we are confronted with the question, Is the Federal Government going into every conceivable industry and every conceivable business and try to tell the people how they ought to conduct the industry or business as the case may be?

If we indicate that we aim to save something for the young man who desires to build a home, naturally that will appeal to the heart of every American. But the same reasoning would apply to the manufacture of automobiles. Shall we have a bureau in Washington to tell manufacturers how automobiles can be made at a lower cost? Are we to have a bureau in Washington to tell how electric washers can be manufactured less expensively? Are we to have an agency in Washington to tell how to make dolls for children more cheaply? Shall we say that because we have the power to tell the people, from Washington, how they can save a dollar, that is the province of the Federal Government?

If the Senator's argument applies to the building trade, it applies to everything a young man and his wife can place in their home. Why do we not begin to conduct research as to furniture? Why not begin research into everything that is used in the home? It might be that we would come to the point of telling people that if they bought a standard article, they could buy it for less money.

Is it the duty of the Federal Government to mold the lives of the American people? Is it the province of the Federal Government to spread its wings all over the United States and tell the people what kind of ordinances and what kind of laws they ought to have in their States? I believe that would be a mis-

conception of the proper function of the Federal Government. Now is the time for a change.

Mr. McCARTHY. Mr. President, will the Senator yield, so that I may answer him briefly?

Mr. FERGUSON. I yield.

Mr. McCARTHY. The Senator from Michigan asks, why do we not have research as to automobiles and furniture? I call attention to the fact that the Government does not insure the purchase price of an automobile, and the Government does not insure the purchase price of furniture. However, it was found that it was impossible for a young man returning from the war to get a home within his income, so the Federal Government has invested billions of dollars in the insuring of home loans. That being so, I believe the Government does have the obligation to try to help young men to obtain homes for less money.

Mr. MONRONEY. Mr. President, will the Senator yield?

Mr. McCARTHY. I yield to the Senator from Oklahoma.

Mr. MONRONEY. I wish to speak briefly in support of the amendment of the Senator from Wisconsin. I served on the House Committee on Banking and Currency for 12 years. I perhaps am as familiar with the need for research in the field covered by the amendment as are the members of the Committee on Appropriations. I beg leave to differ with them in the conclusions which they have reached on this important subject.

This year we shall build perhaps 1,300,000 homes, more than half of which will be insured by the Federal Government to the extent of from 90 percent to 100 percent. We are interested in getting the highest possible value for the dollar and the building of the most modern homes, but we do not wish to pyramid the costs because of obsolete or antiquated building codes or antiquated, obsolete construction codes.

If the senior Senator from Michigan were correct in his assumption that the building of houses was comparable to the manufacture of automobiles, there would be a "General Motors of Housing," which we do not have.

The housing industry is composed of thousands upon thousands of small-business men, most of whom were very small-business men before the housing program enacted by previous Congresses came into being to make possible home ownership for the mass of Americans. This housing program resulted in the building of homes in one section of the country without knowledge of what was happening in another section. Savings that might be developed in the building of a home for \$8,000 might not be available to a housing contractor in Massachusetts, who might have to charge \$10,000, \$12,000, or \$15,000 for the homes he erected. Obviously, an agency in the nature of a clearinghouse is needed through which can be channeled to other sections of the country information as to savings that have been made in one section by small-business men, who can tabulate them and give performance results through laboratory tests.

By and large, housing purchases represent indebtedness which will continue for 30 years. Very few builders, can insure loans when innovations in construction have been made and certainly the FHA and the housing agency of the Veterans' Administration cannot, unless those innovations have been thoroughly tested and studied by a research and development branch of the Government.

Let me give a brief history of the bureaucratic institution about which the senior Senator from Michigan was speaking. When it was proposed several years ago, immediately after the war, that there should be a Research Division, private industry almost unanimously fought the provision. They did not want to see established an agency of bureaucrats who would do what the senior Senator from Michigan has said will be done. Certainly that is an established fact. But such an institution has been a going organization for more than 7 years. After the Research Department was created, instead of the fighting opposition continuing to fight, the home-builders association, architects, and others came to Congress and asked unanimously that the funds be continued, in order to help them produce better houses for less money for Americans to own.

It would be pennywise and pound-foolish to chop off \$600,000 from the appropriation having to do with the improvement of values in property behind perhaps \$1½ billion of Government insured mortgages in the coming year. It would be pennywise and pound-foolish, with the Government having more than \$20 billion tied up in insurance of home loans, to say that the Government is blind or ignorant, or that the Government does not care what quality of construction or improvements goes into these homes.

Mr. STENNIS. Mr. President, will the Senator yield?

Mr. MONRONEY. I yield.

Mr. STENNIS. I am very much impressed with the argument the Senator from Oklahoma is making, but during the 7 years of this program, why has there not been compiled information with respect to building codes, or other cost-reducing proposals? Why has it not been put together and made available?

Mr. MONRONEY. I may say to the distinguished Senator from Mississippi, for whose judgment I have great respect, that building codes have grown up over a period of from 50 to 75 years. Vested interests concerned in preserving the status quo of certain types of construction, such as plumbing and wiring and the other features of housing, are slow to change them. As a Government, we cannot go to the Senator's home city or to my home city and say, "Wipe out the obsolete codes." However, if information is channeled to private industry about what is being done in different sections of the country, and if it is demonstrated that new methods of plumbing and new wiring systems can be obtained at much lower cost, eventually the codes will be improved, and eventually the buyer will get more home for his money.

I should say we would be making a very bad change if we eliminated this \$600,000. We would be endangering and jeopardizing more than \$1 billion of home mortgages, on which Uncle Sam has written his endorsement.

I plead with Senators not to cut out funds which have been demonstrated in the past to be needed. It has been demonstrated that the expenditure of these funds will tend to provide much better housing for purchasers. If we allow this agency to exist, it will continue to serve, not bureaucrats, but private industry, which desires to give the very greatest value. That cannot be accomplished with vast combines of housing companies, such as General Motors or General Electric or the other tremendous giants of our industrial complex, because the housing industry has not been developed and does not operate in that way. The housing industry, as it should be, is made up of small businesses. By cutting the appropriation we would be removing, not only from the veteran, but also from small business, far more than the \$600,000 which this appropriation will entail.

Mr. FERGUSON. Mr. President, last year this agency had an appropriation of \$528,000. What is being urged is an example of what bureaucracy wants to do. When we are supposed to be cutting down on the number of bureaus, we are being asked for \$950,000. Last year the appropriation was \$528,000. In other words, this year the amount sought is almost double. The agency has had 7 years in which to try to develop a model for all the various building codes. If they have not been able to perfect such codes and draw them up in 7 years, I do not know why we should grant any more time or increase the size of the bureaucracy.

Mr. CAPEHART. Mr. President, as Senators know, the subject of housing and housing research is handled by the Senate Committee on Banking and Currency. No one has said anything to me about this appropriation, one way or the other. I have not heard from the homeowners, the builders, or anyone else, as to whether this program is a good thing or a bad thing. I think I can say without fear of successful contradiction that the committee has received no information whatsoever on the subject. No one has appeared before the committee advocating that the research program be continued, or that it be discontinued. I do not know what the record is. I do not know whether the agency has made a good record in this respect or a bad record. I should like to make a suggestion. First of all, no one came to me, as chairman of the committee which handles housing, asking that the committee do anything about it. I do not know where the able Senator from Wisconsin obtained his information. It certainly did not come to me as chairman of the committee handling this activity.

I should like to suggest that this amendment be passed over for a few hours—perhaps until tomorrow, if we are not going to be able to vote on the bill today. I should like to obtain a little information as to what has been

done. My best judgment is that the item might well be eliminated. However, I am not prepared at the moment to vote intelligently one way or the other. I do know that no one in the building industry or in the financial world, and no one connected with the administration, has said a word to me about the appropriation. In fact, no one at all has said a word to me about continuing or discontinuing this program.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. CAPEHART. I yield.

Mr. SALTONSTALL. If the Senator wishes information, under the heading of Housing and Home Finance Agency, Office of Administrator, there is a 14-page justification for this item. The agency has undoubtedly done some good work. It has undoubtedly made some progress in connection with codes. However, the question arises, How are we going to reduce expenditures? In 1950 there was an appropriation of \$2,050,000 for this purpose; in 1951, \$1,404,000; in 1952, \$495,000; 1953, \$528,000. This year, in the original budget, \$950,000 was requested.

Mr. CAPEHART. And the item was eliminated?

Mr. SALTONSTALL. We eliminated it.

There is no question that the agency has done some good work. The question is, When are we going to stop or slow down some of these governmental activities?

As the Senator from Oklahoma [Mr. MONRONEY] has so well said, much of the research involved must be local. It involves local conditions. Conditions differ in various sections of the country. Uniform building codes have been adopted in a number of the States. The research effort of some of the colleges has been helpful. The real question involved is how much we want to reduce expenditures. I will say to the Senator from Wisconsin that I believe we should provide some money to liquidate this activity in the coming year. But if we want to continue it, all I can say, as the chairman of the subcommittee, is that the subcommittee and the full committee voted against any further funds.

Mr. CAPEHART. Mr. President, as chairman of the Committee on Banking and Currency, which handles housing legislation, I think I can say without fear of successful contradiction that neither builders, homeowners, nor members of any other group have said a word to me on this subject. I believe that is true not only with respect to the membership of the committee as a whole, but also with respect to the staff of the committee.

My best judgment is that we might well eliminate the item. If it is desired to have the amendment passed over for 3 or 4 hours, or until tomorrow, I shall be very happy to see if I can obtain some factual information from Mr. Cole, the Housing Administrator, which will show how important this item is. It makes no difference to me. If Senators wish to vote at this time, I am perfectly willing to do so. I am also willing to allow the amendment to be passed over

so that I may have an opportunity to obtain a little information.

Mr. MONRONEY. Mr. President, I should like to address a question to the chairman of the Committee on Banking and Currency.

The authorization for the establishment and development of research in this field was through legislation considered by the Committee on Banking and Currency, which is the appropriate committee to consider the housing program.

Mr. CAPEHART. That is correct.

Mr. MONRONEY. If we are to discontinue the program, would not the proper procedure be to go to the legislative committee, have a hearing, and at least give the program a decent burial, instead of giving authority to the Appropriations Committee to pronounce the sentence of death without hearings, and without consideration by the committee charged with the conduct of the housing program?

Mr. CAPEHART. That was partially my thought. No one has said a word to me on the subject. Other members of the Senate Committee on Banking and Currency are in the Chamber. Whether anything has been said to them or not I do not know; but certainly nothing was said to me about continuing this appropriation. I was a member of the committee when the program was started. At the time I thought it was a good thing. It has been in existence for 7 years. The purpose primarily was to standardize codes. Also I believe the agency was supposed to do some research work on housing. That was 6 or 7 years ago. It might well be that the work in that field is completed, so far as codification is concerned. Frankly, I do not believe that it is necessary to keep the program in operation in order to draw plans for houses. I do not believe that any money would be saved by following such a course. The research department might well serve a purpose in trying to bring about some standardization of codes. But I doubt very much if it can serve much purpose in so-called research, or in drawing plans for housing.

Mr. McCARTHY. Mr. President, will the Senator yield?

Mr. CAPEHART. I yield.

Mr. McCARTHY. In view of the fact that neither the Appropriations Committee nor anyone else discussed this subject with the Chairman of the Committee on Banking and Currency, and in view of the fact that the housing agency has submitted a 14-page detailed justification for this item, which material apparently has not been brought to the attention of the Senator from Indiana as of this moment, I should have no objection whatsoever to postponing the vote on this amendment, so that any Senators who desire to do so may acquaint themselves with the housing agency's justification for this item, check into the facts, and get in contact with representatives of the building industry, as well as of labor, so as to obtain a picture of just how important this item is.

Mr. FERGUSON. Mr. President, this long dissertation was drawn up by the Truman budget officials. They are the ones who wanted \$900,000. They want-

ed practically to double the previous appropriation. We would not expect them to want to cut out this particular agency.

Mr. McCARTHY. This agency was created by a Republican Congress. It was created in 1948.

Mr. Truman asked for \$950,000. President Eisenhower asked for \$800,000. I have taken the figure adopted by the subcommittee of \$600,000. That is \$200,000 less than what Mr. Eisenhower asked for. I asked for \$600,000 rather than \$800,000, not because I thought the \$800,000 was not justified but because I did not wish to embarrass the members of the subcommittee. I think it would be better to have an appropriation of \$800,000. However, I discussed the subject with certain members of the subcommittee. Some of them feel that, in view of the fact that the subcommittee voted for an appropriation of \$600,000, the subcommittee would be bound by that figure. I do not wish to embarrass them. For that reason, my amendment calls for \$350,000 less than President Truman asked for and \$200,000 less than President Eisenhower asked for.

I ask the Senator from Indiana if he would prefer to have the amendment passed over for several hours, if unanimous consent can be obtained.

Mr. CAPEHART. I am not in charge of the appropriation bill.

Mr. McCARTHY. But the Senator is chairman of the Committee on Banking and Currency.

Mr. CAPEHART. That is true. I said what I did only because I thought it might be helpful to Senators who were undecided. Certainly no one has approached the Committee on Banking and Currency. So far as I am personally concerned, we might as well go ahead and vote on the amendment. I might be inclined to vote for a small amount of money for the study of codes, but I doubt very much if I would vote for money for so-called housing research, so as to find out how to build a house. If it were desired to provide a couple of hundred thousand dollars for code study, I think I would vote for it, but I would not vote for money for research.

Mr. McCARTHY. In addition to the study of codes, there is the matter of adopting uniform measurements in the building industry. If I may take a moment to discuss that subject, the testimony by both labor and industry was that if uniform measurements could be provided for in the housing industry from coast to coast the savings would be tremendous. So in addition to the unification of codes, the study of uniform measurements in the housing industry constitutes the principal function of the research division.

Mr. FERGUSON. Does the Senator realize that there are 60 people working in this agency and that at one time the appropriation was as high as \$2 million? If we cannot get a code in 7 years—

Mr. McCARTHY. Five years.

Mr. FERGUSON. Well, 5 years. It has been stated on the floor that it has been 7 years. If we cannot get a code in 5 or 7 years, when are we ever going to get around to drawing up a code?

Mr. McCARTHY. May I answer the Senator?

Mr. FERGUSON. Yes.

Mr. McCARTHY. There is a great deal to the Senator's argument. Industry for 20 or 30 years has been attempting to get a uniform plumbing code. The research agency has drafted one which has been accepted now by 41 cities, I believe. The agency is now working on a model building code.

Mr. FERGUSON. Mr. President—

Mr. McCARTHY. Let me finish, please. It is a difficult job. Even in the Senator's home city it is almost impossible to adopt a streamlined building code and to get industry and labor to accept it. We are discussing a service agency which serves every city in Michigan and every city in Wisconsin and every city throughout the United States. It cannot do the job in 5 years.

Mr. FERGUSON. Is this a lobbying organization? Do they go to the cities and lobby to get the code adopted in the first instance?

Mr. McCARTHY. It is a service organization.

Mr. FERGUSON. What is it? Is it a service-lobbying organization?

Mr. McCARTHY. Let me answer the Senator from Michigan. Let us assume the Senator is an alderman in his city and that the other aldermen agree with him that the city's building code is out of date, as many such codes are out of date. The Senator could contact this agency and get the benefit of what has been done in every city of the United States. That information has been brought together in a model code. The agency does not lobby.

Mr. FERGUSON. Could not that information be obtained from the cities themselves?

Mr. McCARTHY. One of the reasons for the appropriation being eliminated from the bill is because the organization has not been indulging in publicity work. They have been spending the money for actual research. If they had been spending half of the money in publicity, as so many bureaus might be inclined to do, there would have been a great uproar and the full amount would have been accepted in the first place.

Mr. CHAVEZ. Mr. President, the only matter that concerns me this afternoon, after listening to the debate, is that my good friend the senior Senator from Michigan [Mr. FERGUSON] seems to be against research.

I hope the Senate and the Congress will never forget that if it had not been for research in every line of endeavor, which affects everyday American life, we would not today occupy the position we do throughout the world.

In this instance, of course, it is fair to ask why there is a lack of a uniform building code. There are many reasons. Building construction in this country is a progressive business. It does not arrive at a conclusion about construction in 2 years and say, "We have reached the ultimate, and are now stopping." Research must continue. That is the situation in the present instance.

What appealed to me in the argument of the Senator from Oklahoma was the fact that it was in line with the philoso-

phy, as I understand, of the senior Senator from Michigan. The research is not being done for the Federal Government. The information which is gathered is channeled to private industry, to the builders who erect houses and who must use labor to construct the buildings. In other lines of endeavor the same situation holds true.

Does the Department of Agriculture stop its research work because a certain type of corn has been developed and is being raised in Iowa? Would Senators want it to stop all further research?

It is research which has made it possible for the farmers to produce perhaps three times as much corn as was produced, say, 30 years ago.

It was research which has made it possible to produce better sheep and better cattle in Wyoming, New Mexico, and throughout the West, as well as in the Carolinas and throughout the South, than it was possible to produce 30 or 40 years ago.

It is research which has placed us in the position of power in matters of war. That is it, pure and simple. It is research which makes it possible for the housewife to get a clean pound of butter. It is research which makes it possible to get better grades of oleomargarine. It is research which has made possible the production of oil. It is research which has made it possible to give a little relief to people suffering from cancer and heart disease and mental illnesses.

I for one do not believe that the American people are going to say that in the United States, both Government and private industry, are now at a standstill. Even in law we have research. We have bar associations, and we have courts. All of them are trying to get information as to how they can better apply to the moment the noble concepts of the Constitution of our country.

In every line one can think of, even in carrying out the duties of this body—and the Senator from Oklahoma was partly responsible for it—it was research into legislative procedures which brought about the Reorganization Act, under which we are now operating.

I am not arguing with the Senator from Michigan from the standpoint that he could not be correct in this particular instance. I think he is. But the point I am trying to make is that we should not stop research work.

Mr. FERGUSON. Neither do I want to stop it.

Mr. CHAVEZ. Once we stop it, it will be too bad. The Senator from Michigan was speaking about the automobile industry. It is research in the Bureau of Standards, affecting a bolt or a screw or a piece of metal, which is channeled to the automobile industry, as it should be. It is research being done by the Department of Agriculture at Madison, Wis., which makes it possible to produce some plastics.

I hope that this body, in considering the amendment of the Senator from Wisconsin [Mr. McCARTHY], will pay some heed to the implications and results of research. We must not stand still. We must continue to progress.

The PRESIDING OFFICER (Mr. PORTER in the chair). Under the unani-

mous-consent agreement entered into, the vote by which the committee amendment on page 20, line 14, was agreed to is reconsidered.

The question is on agreeing to the amendment offered by the Senator from Wisconsin [Mr. McCARTHY], as modified, on page 20, line 14, to strike out the figure "\$3,330,000" and to insert in lieu thereof the figure "\$3,930,000."

On this question the yeas and nays have been ordered, and the clerk will call the roll.

Mr. MAYBANK. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. MAYBANK. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from South Carolina will state it.

Mr. MAYBANK. Is it in order for me to ask that the order for the call of the roll be rescinded, and that further proceedings in connection with the call of the roll be dispensed with? I am inclined to make such a request because I understand that certain Senators who will come to the floor for the vote will not come to the floor for a quorum call.

The PRESIDING OFFICER. Such a request is in order.

Mr. MAYBANK. Then, Mr. President, I ask unanimous consent that the order for the call of the roll be rescinded, and that the further proceedings in connection with the call of the roll be dispensed with.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

The question is on agreeing to the amendment submitted by the Senator from Wisconsin [Mr. McCARTHY] to the committee amendment on page 20, in line 14.

On this question the yeas and nays have been ordered, and the clerk will call the roll.

The Chief Clerk called the roll.

Mr. SALTONSTALL. I announce that the Senator from Nebraska [Mr. BUTLER], the Senator from Kansas [Mr. SCHOEPPPEL], and the Senator from Ohio [Mr. TAFT] are necessarily absent.

The Senator from Kentucky [Mr. COOPER], the Senator from New Hampshire [Mr. TOBEX], and the Senator from Wisconsin [Mr. WILEY] are absent on official business.

The Senator from Pennsylvania [Mr. MARTIN] is absent by leave of the Senate.

Mr. JOHNSON of Texas. I announce that the Senator from Kentucky [Mr. CLEMENTS] is absent by leave of the Senate on official business.

The Senator from Washington [Mr. JACKSON], the Senator from Tennessee [Mr. KEFAUVER], the Senator from Oklahoma [Mr. KERR], the Senator from Georgia [Mr. RUSSELL], and the Senator from North Carolina [Mr. SMITH] are absent on official business.

The Senator from Nevada [Mr. McCARRAN] and the Senator from Montana [Mr. MURRAY] are absent by leave of the Senate.

The result was announced—yeas 19, nays 62, as follows:

YEAS—19

Aiken	Johnson, Tex.	Morse
Chavez	Kilgore	Neely
Green	Langer	Smathers
Hayden	Lehman	Sparkman
Hennings	Long	Symington
Humphrey	McCarthy	
Hunt	Monroney	

NAYS—62

Anderson	Flanders	Malone
Barrett	Frear	Mansfield
Beall	Fulbright	Maybank
Bennett	George	McClellan
Bricker	Gillette	Millikin
Bridges	Goldwater	Mundt
Bush	Gore	Pastore
Butler, Md.	Griswold	Payne
Byrd	Hendrickson	Potter
Capehart	Hickenlooper	Purtell
Carlson	Hill	Robertson
Case	Hoey	Saltonstall
Cordon	Holland	Smith, Maine
Daniel	Ives	Smith, N. J.
Dirksen	Jenner	Stennis
Douglas	Johnson, Colo.	Thye
Duff	Johnston, S. C.	Watkins
Dworshak	Kennedy	Welker
Eastland	Knowland	Williams
Ellender	Kuchel	Young
Ferguson	Magnuson	

NOT VOTING—15

Butler, Nebr.	Kerr	Schoeppel
Clements	Martin	Smith, N. C.
Cooper	McCarran	Taft
Jackson	Murray	Tobey
Kefauver	Russell	Wiley

So Mr. McCARTHY's amendment to the committee amendment was rejected.

Mr. McCARTHY. Mr. President, I have another amendment to offer, but I shall not take the time of the Senate to argue for it. It is along the same line as the last amendment.

As the Senate knows, President Truman asked for \$950,000 for the program under consideration. My first amendment called for \$800,000. My next amendment reduced the figure to \$600,000. I now present a final amendment to appropriate \$300,000 for the research program. I believe this to be very important, but I shall not burden the Senate with further argument. I ask for the yeas and nays on the amendment.

The yeas and nays were not ordered.

Mr. SALTONSTALL. Mr. President, I merely wish to say that the same arguments may be urged against the amendment just offered by my distinguished friend, the Senator from Wisconsin, that applied to the one previously offered. The House voted to cut out any money for housing research and the Senate committee followed suit, and by a vote of 19 yeas to 61 nays the Senate has confirmed the action of the committee in its vote on the amendment calling for an appropriation of \$600,000. I ask that the pending amendment be rejected.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Wisconsin [Mr. McCARTHY] to the amendment of the committee.

Mr. CAPEHART. Mr. President, there might be some justification for what is asked by the Senator from Wisconsin. It might well be that the office has finished its work of revising and making available codes to the cities and States, the subdivisions of Government which must, of course, eventually pass the laws putting the codes into effect, but if they have not finished their work,

there might be some justification for such an amendment as is offered. There is no question that standardization of building codes in the United States is very badly needed.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Wisconsin on page 20, line 14, in lieu of "\$3,330,000", to insert "\$3,630,000." [Putting the question.]

Mr. McCARTHY. Mr. President, I asked for the yeas and nays.

The PRESIDING OFFICER. The yeas and nays were not ordered.

The question is on agreeing to the amendment. [Putting the question.] The amendment is rejected.

Mr. McCARTHY. I ask for a division.

The PRESIDING OFFICER. The Chair had already announced the result.

The question now is on agreeing to the committee amendment.

The amendment was agreed to.

Mr. JOHNSON of Colorado obtained the floor.

Mr. MAYBANK. Mr. President, will the Senator yield?

Mr. JOHNSON of Colorado. I yield to the Senator from South Carolina.

Mr. MAYBANK. I understood the Chair to announce that the committee amendment had been agreed to prior to my addressing the Chair.

I understood the distinguished Senator from Massachusetts who is handling the bill to say he thought some amendment was necessary to the committee amendment, and I now ask unanimous consent that the vote by which the committee amendment was agreed to be reconsidered.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MAYBANK. Mr. President, I send to the desk an amendment to the committee amendment in connection with the question which I have discussed with the Senator from Massachusetts [Mr. SALTONSTALL]. I asked that my amendment be stated.

The PRESIDING OFFICER. The clerk will state the amendment offered by the Senator from South Carolina to the committee amendment.

The LEGISLATIVE CLERK. On page 20, line 14, it is proposed to strike out the figure "\$3,330,000" and insert in lieu thereof "\$3,455,000", of which not to exceed \$125,000 shall be available for liquidation of the housing research program not later than April 30, 1954.

Mr. SALTONSTALL. Mr. President, I think this is a proper amendment. I accept it, and will take it to conference.

Mr. MAYBANK. Mr. President, \$125,000 will save the research program assets which are worth much more money. I offer the amendment only in the interest of the taxpayers.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from South Carolina [Mr. MAYBANK] to the committee amendment.

Mr. CASE. Mr. President, will the chairman of the subcommittee or the author of the amendment advise me wheth-

er the wording is such that terminal leave pay will be provided for without requiring an additional appropriation?

Mr. MAYBANK. Mr. President, the amendment was drawn by the Housing Administration and checked by the legislative counsel. It is designed only to save the assets of the present organization in connection with the liquidation of the research agency of the Housing Authority.

Mr. CASE. I merely wish to be assured that the organization will be terminated and closed out without any terminal obligations.

Mr. SALTONSTALL. Mr. President, the \$125,000 is to liquidate the program, pay the terminal leave of the staff, and also include funds for printing and distributing the results of its work in 40 to 50 research reports which will cost approximately \$1,000 apiece. So the money will provide for liquidation, terminal leave, and printing reports.

Mr. MAYBANK. The only money for terminal leave is that which is provided for under the law which is on the books.

Mr. SALTONSTALL. That is what I understand.

Mr. MAYBANK. I wish to assure the Senator from South Dakota that only those who are legally entitled to it under the decisions of the courts will receive such pay.

Mr. CASE. That is satisfactory, Mr. President. I wanted to determine that we were going to get rid of the obligation, and would not receive another bill for terminal leave.

Mr. MAYBANK. My only wish is to liquidate the agency. When that is done, we must pay what is provided for on the statute books.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from South Carolina [Mr. MAYBANK] to the committee amendment.

The amendment to the amendment was agreed to.

The PRESIDING OFFICER. Are there any further amendments to the committee amendment? If there are no further amendments, without objection, the committee amendment as amended is agreed to.

The Senator from Colorado is recognized.

Mr. JOHNSON of Colorado. Mr. President, I call up my amendment designated "5-15-53-B," and asked that it be stated.

The PRESIDING OFFICER. The clerk will state the amendment offered by the Senator from Colorado.

The LEGISLATIVE CLERK. On page 10, line 17, it is proposed to strike out "\$7,100,000" and insert in lieu thereof "\$7,718,440."

Mr. JOHNSON of Colorado. Mr. President, it sounds like doubletalk when a Senator asks to have an appropriation increased in amount and, at the same time, says it does not impose an increased burden upon the Treasury or upon the taxpayers. But that is the case in this instance, and this is the reason:

A part of the item which I wish to amend is to be used to remove the freeze

on television which was imposed by the Federal Communications Commission some years ago. That freeze was very effective. It stopped all applications for television licenses for several years. On July 1, 1952, the freeze was lifted and applications were accepted. Prior to that time there were 108 television stations in the United States. On July 1, 1952, the Commission had allocated more than 1,800 television stations for commercial use and 242 stations for educational use.

Under the Administrative Procedure Act, whenever there is more than one applicant for a station license, hearings have to be held. Such hearings, in some instances, last for many months. Examiners have to hold the hearings. Today the Committee on Interstate and Foreign Commerce had a meeting with the Federal Communications Commission. Six of the seven Commissioners were present. We received information from them which I do not believe the Committee on Appropriations had at the time it acted upon the item of \$7,100,000, which appears on page 10, line 17, of the bill.

I wish to invite the attention of the Appropriations Committee to the information which our hearing today developed in connection with our examination of the situation.

As I have told the Senate, there are allocated to communities of the United States more than 1,800 commercial stations and 242 educational or noncommercial stations. Since July of last year, when the freeze was lifted, there have been added and placed in operation 3 VHF stations and 30 or 31 ultrahigh frequency stations, or UHF stations, making a total of 168.

I invite attention to the allocation of more than 2,000 stations. The Federal Communications Commission told us today that there are 65 large cities which do not have any television stations whatever. There are large cities, such as St. Louis and Kansas City, which have only one station apiece. The situation is very difficult. The additional amount of money requested this year will not add to the burden of the Treasury because, sooner or later, we are going to make appropriations to hire hearing examiners to take care adequately of the situation.

The only question before the Senate today in this connection is, Shall it be done in 1953 or shall we string along these appropriations over a great many years and cause delay to those who want the stations, who desire to have them licensed, and who have applied for licenses? Are we going to compel them to wait for perhaps 5 years before they receive their licenses? Congress must decide whether the cities will have to wait 5 years before they get television service. The problem is one of time. It is not a question of dollars; it is a question of when the communities of the United States are going to get television service. I am certain that no one will dispute the fact that hearings must be held; and when hearings are held, they cost money.

Mr. Rosel H. Hyde, Chairman of the Federal Communications Commission, told the Committee on Interstate and

Foreign Commerce today that it was the Commission's experience that the dragging out of hearings results in higher costs, and I am certain that he is correct. So instead of costing less, it will cost more, if we drag out this matter over a 5-year period.

During the delay a tremendous hardship will be imposed upon those who desire television stations. It costs a large sum of money to set up a television station, equip it, build transmitters, and install all the machinery that is required. It costs from \$300,000 to \$500,000 to construct a television station. One who applies for a license to operate one must keep his money liquid. He must be ready to invest it whenever he receives his license. So an immense amount of capital is tied up in that way.

But that is not the whole problem. First, I should say that at present the Federal Communications Commission has 12 examiner teams. Mr. Bartley, speaking to the House Committee on Appropriations, said that the Commission could clear up all the backlog of applications which were pressing upon them if they were given 40 examiners.

I am taking the word of the Federal Communications Commission with respect to this matter. I believe that unless we do take their word for it, we shall be shifting responsibility from the Commission to Congress. Congress has passed the Administrative Procedure Act. Congress has said what must be done in the hearings. It has said what must be done before licenses shall be approved or granted. Congress has set up the whole procedure. The Federal Communications Commission must proceed under the standards which Congress has provided. It cannot be done otherwise. That is the law of the land. The standards Congress has provided are correct, good, and equitable, provided they are carried out in full. But time is required.

Television stations are valuable property. Some licenses are estimated to be worth tremendous sums of money. One license in the city of Chicago is estimated today to be worth \$6 million. There is a great deal of competition for such licenses. There are many applicants for a license for a station having such great value. Therefore, several applications are made for a license for one station. The Federal Government cannot merely say, "Eeny, meeny, miney, mo," put its finger down, and say, "We will give the license to this applicant." No. It is necessary to hold hearings. The Commission has to sift out from the hearings the applicant who will best serve the public interest, because there is tremendous public interest in a television station and a television application.

As I have said, hearings take a great amount of time. They must follow a regular course, just as a trial in a Federal Court. Both sides must be given an opportunity to state their cases and make their pleas that the license be granted to one or the other applicant.

Congress has laid down the rule for such procedure. It is the law. Hearings must be held. If Congress did not provide for hearings and for the hearing

personel, hearings could not be held. What would happen? Television licenses could not be granted, and communities throughout the United States would be denied television stations and television service.

As I have previously said, 65 large cities in the United States do not have television, and perhaps they will not have it for 5 years unless Congress does something about the situation. The Federal Communications Commission, through Mr. Bartley, has said that if Congress will provide funds to enable the Commission to have 40 examiner teams, the Commission can clean up the whole backlog in 1 year. Congress must take the word of the Commission about that. We have to accept their appraisal of conditions. If we do not, if we deny them the funds, Congress will have to accept the responsibility of not providing for television stations throughout the United States. The matter is as simple as that. I believe the Committee on Appropriations has been misinformed, because I read the following in its report:

It is not the intention of the committee, however, to delay the TV allocations in any manner, and if the Commission can adjust procedures or in any other way demonstrate their ability to process the applications to a decision in shorter time, the committee is agreeable to the consideration of an additional amount in a supplemental bill.

The committee is willing to have the hearings held, it is willing to have the licenses granted; but money is required to get the job done. There is nothing mystical about it. No sleight-of-hand performance will provide the licenses for the stations. Hard work is required to sift the facts, to insure that mistakes are not made, and that licenses are granted to the groups applying which are best fitted to operate the stations.

Mr. STENNIS. Mr. President, will the Senator yield for a brief question?

Mr. JOHNSON of Colorado. I am glad to yield.

Mr. STENNIS. Did not the Senator say that there were 61 large cities, including cities such as Kansas City and St. Louis, having not more than one television station in operation?

Mr. JOHNSON of Colorado. Kansas City and St. Louis have one television station each, but representatives of the Commission testified today that there are 65 large cities in the United States that have no television service whatsoever.

Mr. STENNIS. There are 65 large cities without television service of any kind?

Mr. JOHNSON of Colorado. That is correct. Kansas City and St. Louis are very large cities, and they have only one station apiece. I might say that there are a great many applications for stations in those cities. I think there are four applications for stations in Kansas City, and five for stations in St. Louis. It is not fair to the people that one station should have a monopoly of television in St. Louis. Large cities like St. Louis and others desire that television applications be processed, so that licenses for additional television stations can be granted.

Mr. STENNIS. Mr. President, will the Senator yield further?

Mr. JOHNSON of Colorado. I yield.

Mr. STENNIS. The Senator is most correct. Is it not also true that while the people of Kansas City and St. Louis have at least one station each, many other large cities included in the number which the Senator has mentioned do not have the benefit of any television service or television programs whatsoever?

Mr. JOHNSON of Colorado. The Senator is absolutely correct.

Mr. STENNIS. Does the Senator estimate that it will take 5 years to clear the logjam of television applications unless a special fund is made available immediately to provide for extra examiners?

Mr. JOHNSON of Colorado. That is the length of time the Federal Communications Commission estimated it would take. They have 650 applications as of now. Each examining team can handle from 12 to 15. Their estimate was given to us today.

Mr. STENNIS. Does not the law require that the examinations be held, testimony be taken, and the cases be heard in more or less the manner followed in an elaborate case in court?

Mr. JOHNSON of Colorado. Exactly.

Mr. STENNIS. That is mandatory; the Commission cannot decide otherwise.

Mr. JOHNSON of Colorado. The Congress has passed a law which requires the Commission to do those things. Twelve examiner teams, multiplied by 12, means 144 cases in a year. At the present time there are 650 cases pending, and, of course, there will be more applications.

Mr. STENNIS. I thank the Senator for bringing the situation to the attention of the Senate. I knew that the situation in my State was bad, but I was very much surprised to learn that the situation is so general throughout the United States. I certainly shall support the Senator's amendment.

Mr. HILL. Mr. President, will the Senator yield?

Mr. JOHNSON of Colorado. I yield.

Mr. HILL. A great deal is involved in these applications. Whoever gets a license may have a very valuable grant. A great deal of evidence and testimony is required in determining who shall receive the license, and careful consideration must be given to the question.

Mr. JOHNSON of Colorado. Of course.

Mr. HILL. Such an application is not something which can be disposed of overnight. We must have men who are capable and qualified to go into the applications, hear the testimony, and render a wise judgment, if the licenses are to be granted according to the rules laid down by the Congress. Is not that true?

Mr. JOHNSON of Colorado. That is correct. This is not a penny ante operation at all. It is a big-money operation. Some television stations are valued at as much as \$6 million at the present time. When that much money is involved, it means that it is an important concession which the Federal Communications Commission is giving to citizens of the United States. When a concession as valuable as that is granted, the Commis-

sion must be very careful that it is doing a good job. Congress has laid down certain standards, through the examiner system, so that a good job will be done, and so that the public interest will be well served.

Mr. HILL. Of course, the public interest is best served if the Commission can proceed in due, expeditious, and orderly fashion; is not that true?

Mr. JOHNSON of Colorado. That is correct. It must be enabled to proceed with all the speed possible. We do not want the Commission to act hastily. However, it is a pretty tough thing for a good-sized city not to have television service when cities all around it have television service. We are asked, "Senator, why do we not have television service in our town? Is it not just as good as some other town?" What answer can we make? We may say, "Well, you will have television service when the Federal Communications Commission gets around to holding hearings in your town and deciding who is to receive the television license."

Mr. President, as has already been stated, the freeze on television was lifted in July of 1952. Hearings have been held or are in the course of being held on 65 contested cases. They are in one stage or another of hearings. Only two have already been decided by the examiners and are in the hands of the Commission at the present time.

I understand that the Appropriations Committee was informed that the bottleneck was not in the hearings, but was in getting the license to a station after the examiners had finished. According to the Federal Communications Commission, that is not the case at all. The bottleneck is in the hearings, absolutely and completely. The evidence shows that only two stations have been approved by the examiners. That is all that is before the Commission at the present time. Members of the Commission are not overworked in granting licenses. Their problem is to hold hearings, which must be held according to law. They cannot be held quickly. They cannot be shortened in any way. Applicants have certain rights under the law; and if they are turned down or disappointed in what they receive at the hands of the examiners or at the hands of the Commission, they can take their cases to the Federal courts and obtain justice. That requires a great deal more time than the time which might be saved by curtailment of an applicant's rights by reason of having a quick hearing instead of taking the full time and doing the job as it should be done. It must be done right. It must be done according to law. If it is not done according to law, the applicant has his recourse in law, and, of course, he can take full advantage of it.

Mr. SMATHERS. Mr. President, will the Senator yield for an observation?

Mr. JOHNSON of Colorado. I am glad to yield for an observation if I do not lose the floor.

Mr. SMATHERS. Mr. President, I am very happy to join with the Senator from Colorado in his amendment. As the Senator knows, I have been one of the severest critics of the Federal Com-

munications Commission in the matter of granting television applications. It seemed to me for quite a long time that the Commission delayed interminably. It talked about evtraneous matters. The procedure became so expensive that a reasonably poor applicant could not even afford to make an application for a television license.

We have learned from the Federal Communications Commission, which appeared in a body before our committee, that the Commission has undertaken to remedy the situation. The members of the Commission have undertaken to remedy it themselves. They have adopted rules of procedure, similar to the judicial pretrial conference, under which it will decide in advance what issues are in dispute, and eliminate all extraneous subjects, such as for example, what the religion of an applicant is, how many elevators there will be in his new building, or what programs he will broadcast on Thursday afternoon at 5 o'clock.

In the past such subjects have taken up the most of the time in the hearings.

The Commission have now been able to get down to the meat of the situation, and have taken steps to remedy the prior situation which caused long delays in hearings.

Furthermore, we have learned that the Commission has agreed to what amounts to practically a cut-off date. In the past, when two applicants file applications—as, for example, when applicant A and applicant B got together and decided they would file an application for a certain channel—the Commission threw that application back on the open market, so to speak, and persons who actually had no interest in getting a station, but who wanted to effect a compromise, would file on top of the original applicants who had joined together.

That procedure has been eliminated. It is now possible for applicants to get together, and the Commission gives them protection and examines their applications jointly, as though they were making one application.

We have learned that the Commission has only 12 examiners. The examiners are doing a good job, but they do not have sufficient help. The members of the Commission testified that if the examiners worked the clock around for 6 days they still could not hear more than approximately 10 cases a year.

We have learned that there are today approximately 15,000 applications of all kinds pending before the Federal Communications Commission, which these 12 examiners must handle by themselves. The 15,000 are not all television applications. They are made up of FM applications, and AM applications, for two-way radios, and other applications.

Since the freeze was lifted last year there have been 1,090 television applications filed.

In the last year the Commission has been able to grant licenses in 345 cases, but there are roughly 650 contested cases which they have not been able to hear. As a matter of fact they have not been able to render a decision in any of the contested cases. They are about to render some decisions in the next 30 days, for the first time.

The members of the Commission testified that if they were granted the additional appropriation they would be able to hire a greater number of competent examiners and, with the new procedures which they have adopted, they would be able to clean up the backlog of 650 applications in the space of 1 year.

If Congress does not grant the appropriation, both Mr. Walker, who is the ex-chairman of the Commission, and Mr. Hood, the new Chairman, testified it would take anywhere from 3 to 5 years to clean up the backlog.

Mr. President, this is not in the nature of an extra expenditure. It seems to me it is in the nature of a wise investment. If we can get applications approved and get television stations in operation, the general public will be served. Moreover, the Internal Revenue Bureau will be much happier, because they will receive vast sums of money in taxes. In the first instance, television stations have been very profitable, and the money which the Federal Government will receive will more than make up for the money which would be appropriated for the Commission in this instance.

I am happy to join the distinguished Senator from Colorado, the former chairman of the committee, in asking that his amendment be adopted.

Mr. JOHNSON of Colorado. Mr. President, no matter how sympathetic the Commission may be, no matter how desirous Congress may be, no matter how irate the long-suffering public may become, one fact stands out crystal clear; namely, that the present personnel of the Commission is unable and will continue to be unable to process the hundreds of applications now awaiting action until Congress votes an appropriation to finance hearings. Television belongs to the people and is for their welfare. The happiness of the FCC is not at stake. It does not make any difference to the Federal Communications. They can go along for years and years. But what about the Members of Congress? What are they going to tell their constituents who ask why they do not receive television service in their home towns?

By this additional appropriation which I am requesting Congress can set in motion a chain reaction which in 2 years' time will create billions of dollars in business. Applicants for TV stations stand ready to invest billions of dollars in building and equipping stations. There are approximately 23 million TV sets in use today. This figure can be doubled in the relatively short future, and the investment in these sets will amount to \$8 billion of new business.

Thousands of people will be employed in their manufacture and hundreds of television jobbers, wholesalers, and retailers will enjoy a profitable business. The advertising campaigns over television will stimulate the sale daily of trainloads of manufactured products of every description.

The country has suffered for a long time because of the television freeze, which was put into effect by the Federal Communications Commission. I think it was a very unwise act. The Commission

had reasons for doing it, which, perhaps, were satisfactory to the Commission, but which, nevertheless, the freeze has brought about a terrible injustice to a great many people. Last July the Federal Communications Commission lifted the freeze. But Senators and Members of the other House will be continuing the freeze unless they make it possible for the hearings to be held and the licenses to be issued. Otherwise it will be a continuing freeze for 65 large cities in the United States—and I mean large cities of 75,000 people and more. They will be without television for 2 or 3 years more unless we act.

Who is continuing that freeze? It is the Congress of the United States. We would be continuing that freeze unless we were to provide money. We have set up standards, and we have laid down the terms upon which licenses can be issued. Now we want to put up the money, so the law may be complied with and to make it possible to license those stations.

Mr. SALTONSTALL. Mr. President, I am sure every member of the committee is in complete sympathy with what the Senator from Colorado has stated. The facts which were given to us make the situation, as a practical matter, a little different from what he has stated. The processing of television applications is accomplished in the first instance by teams of seven men headed by an examiner. The teams go into the field. Then they return and bring their results to the Commission, and the Commission must pass upon the license applications. That is the way I understand it is done.

Last year there were 10 teams. The original Truman budget called for 17 teams. The Eisenhower budget followed up with 17 teams. The House, by shifting around the work of the Commission without increasing the appropriation, but discriminating against the radio work and some of the other work, called for 21 teams.

Our committee has put the number back to 17.

It is my information, from the Budget Director, that the Commission cannot handle the claims or recommendations of these examining teams faster than the 17 teams can bring back their findings.

Mr. JOHNSON of Colorado. Mr. President, will the Senator yield?

Mr. SALTONSTALL. I should like to finish my statement. The amendment offered by the Senator from Colorado would add 15 teams to the 17 teams for which the committee has provided, or a total of 32 teams, as I understand his amendment. If our information is correct, there would be a bottleneck created in the Commission as these terms brought in their reports.

At the present time there are 1,189 requests pending. As of next July 1 the Commission expects to have 675 applications pending. A team will work at the rate of approximately 15 applications a year. So if there are 17 teams, they will process approximately 255 applications. If the information we have received is correct—and we received it from the Bureau of the Budget and, I understand, also from the Federal Com-

munications Commission itself, although I cannot be certain about that—namely, that with 17 teams, it is not possible to process the applications any faster than that 255 a year, then we have provided all the funds the Commission can use for this purpose.

I agree that if it is possible to process the applications faster, that should be done. On the other hand, if it is not possible to process the applications any more rapidly, there is no use in providing more funds for this purpose.

Mr. JOHNSON of Colorado. Mr. President, will the Senator from Massachusetts yield to me?

The PRESIDING OFFICER (Mr. HUNT in the chair). Does the Senator from Massachusetts yield to the Senator from Colorado?

Mr. SALTONSTALL. I yield.

Mr. JOHNSON of Colorado. I do not know where the Bureau of the Budget got its information. Members of the Federal Communications Commission testified before our committee today, just before the Senate met. I wish we had available the transcript of the proceedings of that meeting, so that I might read it into the CONGRESSIONAL RECORD. However, the transcript is not yet available to us.

Let me summarize the statement by saying that just a few hours ago, 6 of the 7 members of the Federal Communications Commission told the Senate Committee on Interstate and Foreign Commerce that the bottleneck is not in the Commission, and will not be in the Commission; but the bottleneck will be in the hearings. They said only two cases have come to them from the hearings up to the present time. Sixty-five cases are in process of being handled by the examiners, but only two have reached the Commissioners. They said there is no question at all but that the Commission can keep up with the number of cases the 40 examiners bring to them. That is what they told us, and it makes sense, too.

Mr. SALTONSTALL. If I may ask a question of the Senator from Colorado, let me ask whether I correctly understand that the Federal Communications Commission has appeared before the Senate Committee on Interstate and Foreign Commerce and has testified that it has adopted revised procedures which speed up the handling of television applications.

Mr. JOHNSON of Colorado. That is correct.

Mr. MAYBANK. Mr. President, will the Senator from Massachusetts yield to me?

Mr. SALTONSTALL. I yield.

Mr. MAYBANK. I wish to suggest that the same testimony was received last year. My judgment is that the fault does not lie in the number of teams, as Mr. Dodge, the Director of the Bureau of the Budget, has said, as is shown by the testimony which was submitted to the committee, and as the Senator from Massachusetts was told later—and the Senator from Massachusetts conveyed that information to me—but the trouble lies with the Commission itself, I believe.

Mr. SALTONSTALL. That is what I understand.

Mr. MAYBANK. I think Congress should investigate the Commission, and should not provide for more teams to do nothing. I believe the Commission has been slow in its work. Am I correct about that?

Mr. JOHNSON of Colorado. Mr. President, if I may be permitted to answer the question asked by the Senator from South Carolina, I reply that I do not think the Commission has been at fault. I think the Commission has done a remarkably good job up to the present time. I think Congress placed upon the Commission a workload which Congress has not made it possible for the Commission to handle. I believe the fault lies with Congress.

When the Senator's constituents complain about not being able to obtain television licenses, there is only one place where they can lay the blame, and that is with the Congress of the United States.

I believe the Commission has done a remarkably good job. It has approved 340 cases for building permits, when no hearing was required. Up to the present time, only two cases from hearing examiners have come before the Commission.

Mr. MAYBANK. Mr. President, I do not wish to be misunderstood. Last year in the Independent Offices Subcommittee of the Appropriations Committee we had the pleasure of hearing from the Senator from Colorado and from other of the members of the Senate Committee on Interstate and Foreign Commerce. We went along with his suggestions and also with the suggestions of the Commission, and we voted to increase the funds for the hearings on television applications. Am I correct about that?

Mr. JOHNSON of Colorado. That is correct.

Mr. MAYBANK. I have nothing but the highest regard for the Senate Committee on Interstate and Foreign Commerce, of course. My present thought is that the Director of the Bureau of the Budget said he did not believe the Federal Communications Commission could keep up with the actual hearings to be conducted by the various teams if more teams were assigned to that work.

I should like to have the Senator from Massachusetts correct me if I am in error on that point.

If more teams can be of real assistance in this matter, I shall vote for funds for more teams.

Of course, I am familiar with what the Senate Committee on Interstate and Foreign Commerce has done not only in this matter but also in railroad matters and other interstate and foreign commerce matters. However, I was told that the Director of the Bureau of the Budget did not think the assignment of more teams to work with the Federal Communications Commission would make it possible for the Commission to handle its work any more rapidly.

Mr. SALTONSTALL. Mr. President, the Senator from South Carolina is eminently correct. We provided for funds sufficient for the work of 17 teams, and that was all the Commission could proc-

ess. That is the basis upon which we acted.

If the information which came to us from the Director of the Bureau of the Budget was incorrect, then, personally, I would be open to making a change, because I do not believe these applications should be left 3 or 4 years behind. We provided for sufficient funds for 17 teams, at \$40,000 a team, to process the applications as rapidly as the Commission could act upon them.

Mr. ROBERTSON. Mr. President, will the Senator from Massachusetts yield to me?

Mr. SALTONSTALL. I yield.

Mr. ROBERTSON. Is it not a fact that the Senate Appropriations Committee voted to revise the language of the House version of the bill in conformity with the request of the Chairman of the Federal Communications Commission?

Mr. SALTONSTALL. That is correct.

Mr. ROBERTSON. Is it not also a fact that since it was not too clear to us where the bottleneck was, we discussed informally, in the subcommittee, the possibility that if we could find out for certain what would expedite the granting of television licenses—which all of us wish to see expedited—possibly we would consider a supplemental request, next year; but that this year we should stand by the provision now contained in the bill?

Mr. SALTONSTALL. That is correct. We felt that if more funds were needed and if they could properly be used, we would be very receptive to a supplemental appropriation request.

Mr. JOHNSON of Colorado. Mr. President, if the Senator from Massachusetts will yield further to me, I wish to contradict the statement made by the Senator from South Carolina. I am not questioning his veracity at all, but I do question the judgment of the Director of the Bureau of the Budget when he makes such a statement, in view of what the Federal Communications Commission has told us and has testified to. Certainly someone is mistaken.

I also wish to reply to the proposal made by the Senator from Virginia. If we wait for a supplemental appropriation next year, we shall have lost an entire year's time.

Mr. SALTONSTALL. Mr. President, this afternoon we are arguing on the basis of conflicting testimony given in regard to the same set of facts.

Mr. JOHNSON of Colorado. Testimony has been received from two different groups.

Mr. SALTONSTALL. I am sure the Senator from Colorado is telling us the facts as he knows them, and I am trying to state the facts as they were stated to me. In any event, we cannot conclude our action tonight on the independent offices appropriation bill.

I am perfectly willing to let this matter go over, without a vote, until Wednesday, when we will take it up again. In the meantime, I assure the Senator that I shall try to get the information from the Federal Communications Commission in such form that we can determine whether the bottleneck is in Washington or whether it is in the field.

Mr. STENNIS. Mr. President, will the Senator yield?

Mr. JOHNSON of Colorado. In a moment. Let me reply to the suggestion just made.

If we are given that much time, we will have the record of the hearings which we held this morning, at which members of the Federal Communications Commission testified, and we will place that in the hands of the chairman of the committee.

Mr. MAYBANK. Mr. President, will the Senator from Colorado yield?

Mr. JOHNSON of Colorado. The Senator from Massachusetts has the floor. The Senator yielded to me for a question.

Mr. SALTONSTALL. Mr. President, I respectfully submit I have the floor. I promised to yield next to the Senator from Florida [Mr. SMATHERS].

Mr. SMATHERS. Mr. President, I do not believe that, for the past 2 months, anybody has been any more critical of the delay of the Federal Communications Commission than has the junior Senator from Florida. Today we had the entire Commission before our committee, to examine into the reasons why there has been what appeared to be a great delay. At the time the Director of the Bureau of the Budget, I believe it was, made his recommendations, he was undoubtedly correct. But since then, the Federal Communications Commission, under its new chairman, has revised its rules of procedure, so that no longer do they have lengthy hearings, hearings which sometimes continued for even 4, 5, or 6 months consecutively, during the course of which witnesses were asked to testify as to what church they belonged, to what social clubs they belonged, who had the most money, and how many janitors they would have.

Under the present Administrative Procedure Act the Federal Communications Commission does not even have a right to consider any of the applications until after, first of all, the examiner has gone out into the field with a team, has conducted hearings, and has sent the transcripts to the Commission.

As the Senator from Colorado has so well said, rather than there being a bottleneck in the Commission, there are but two cases which have thus far worked their way up to the Commission, for final decisions by the Commission. Why? Because all the examiners are so busy. They have but seven cases now on which there can be hearings. So that, so far as the bottleneck being with the Commission is concerned, that cannot possibly be true. The bottleneck has resulted from a lack of examiners to go into the field to develop the facts.

Mr. STENNIS and Mr. MAYBANK addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Massachusetts yield; and, if so, to whom?

Mr. SALTONSTALL. If my colleague on the committee, the Senator from South Carolina, has a word he wishes to say, I yield first to him.

Mr. MAYBANK. Mr. President, I merely wish to say I do not believe a better man could have been chosen as Chairman of the Commission than the

present incumbent. I have great respect for him. That is not where the trouble lies. It is further down the line. What I am endeavoring to do is to straighten out the trouble that exists down the line. The Commissioners have come before the Committee on Interstate and Foreign Commerce, of which the Senator from New Hampshire [Mr. TOBEY] is chairman. They could have come before that committee when the Senator from Colorado [Mr. JOHNSON] was chairman.

While I am glad to express my admiration and respect for the new Chairman of the Federal Communications Commission, Mr. Walker, whom the President of the United States appointed, whom I have the pleasure of knowing, and who appeared before the committee for the purpose of testifying, I submit that we shall get nowhere until we eliminate the trouble that exists down the line. Let me inquire of the Senator from Colorado about the investigating conditions. Who was the examiner away down the line at Denver, or at Poughkeepsie, or at Birmingham, Ala., or at Miami, Fla.? The trouble is outside of Washington. That is where matters have been held up.

Mr. JOHNSON of Colorado. Mr. President, will the Senator from Massachusetts yield so that I may reply to the Senator from South Carolina?

The PRESIDING OFFICER. Does the Senator from Massachusetts yield; and if so, to whom?

Mr. SALTONSTALL. Mr. President, I have been endeavoring to yield to the Senator from Mississippi. But if the Senator from Colorado wishes to reply to the Senator from South Carolina, I yield first to him.

Mr. JOHNSON of Colorado. I thank the Senator. I agree that the trouble exists down the line. But so far as Washington itself is concerned, I do not think the trouble lies with the Federal Communications Commission, but with the Congress.

Mr. LANGER. Mr. President, I ask for the regular order.

The PRESIDING OFFICER. The regular order is called for. The Senator from Massachusetts has the floor.

Mr. SALTONSTALL. Mr. President, I now yield to the Senator from Mississippi for a question.

Mr. STENNIS. Mr. President, if this matter is to go over, I should like to ask whether the Senator from Massachusetts, the Senator from Colorado, and other Senators who might be interested will ascertain definitely whether the Commission is able to handle the cases, which now appear to be rising more rapidly, and will consider the advisability of setting up a temporary special group similar to what is done in our courts when the dockets become too heavy. As Senators know, under such circumstances, extra judges are assigned for the purpose of relieving the congestion of the docket; if extra deputies are needed in connection with the service of the process of the court, extra deputies are provided. Regardless of where the trouble lies, those who suffer are the people.

Mr. SALTONSTALL. That is correct.

Mr. STENNIS. I know the Senator is interested in finding a remedy. But let us not stop until we shall have provided whatever is found to be necessary in order to get results.

Mr. SALTONSTALL. I may say to the Senator from Mississippi that I shall make it a point to get in touch with the chairman of the Federal Communications Commission tomorrow, in order that I may be informed as fully as possible regarding the facts. We can then proceed to vote the amount of money we deem necessary. But discussion seems rather futile when the testimony seems to be completely conflicting.

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. SALTONSTALL. I yield to the Senator from Florida.

Mr. HOLLAND. Mr. President, I am very happy to hear the distinguished chairman of the Appropriations Subcommittee make the statement he has made, because I think it is absolutely necessary to enlarge and quicken the hearing procedures that are presently employed, if we are to leave the Congress in a supportable position. The Federal Communications Commission is not a branch of the executive arm of the Government. By direction of the Congress it is performing quasi-legislative and quasi-judicial duties, in an effort to carry through a part of the detailed legislative function which we have assigned to them. My feeling is that we, the Congress, are properly getting the criticism, and we are going to continue to get the criticism. This criticism and public concern is going to continue to engage a great deal of the time of the Members of the Senate and of the House of Representatives who come from the areas referred to, areas that have no adequate television facilities and, in many instances, who have none at all; as, for instance, in the Tampa-St. Petersburg area where television should serve about three-quarters of a million people, there is no television station at all. The hearings started sometime last fall and they are still underway. It would seem to me that there must be speedier conclusion of action on the applications. In the Orlando-Daytona Beach area, which will serve a half million or more people, there is neither a station nor any adequate service. The hearings have not yet gotten underway. Insofar as the Jacksonville and Miami areas are concerned, they each have one station. They have a coaxial cable serving both areas. Hearings have not yet been held on the question of additional applications.

I cite these cases merely by way of a partial showing of the fact that there must be a speeding-up process, and in order to say if that speeding-up process is not attained, it is going to be the Congress which will suffer, not only from justifiable criticism, but also from diminution of our work time, because we must see the many anxious people who come here about this matter. We should see them, and we are trying to see them.

I thoroughly support the position of junior colleague, who thus far for several months has shouldered a goodly part of

the difficulties in this field, so far as our State is concerned. I support him and I also support the distinguished former chairman, now the ranking minority member of the Committee on Interstate and Foreign Commerce, the senior Senator from Colorado. I believe that we should and can speed up the hearings and the decisions.

Before I conclude, I want to say that I do not believe that the Commission is itself without fault in the matter because certainly I know of my own knowledge of its having permitted an additional applicant, who had very little closeness to the area, to file, after two well-qualified competing groups of applicants had gotten together in the city of Miami, in the effort to bring earlier service to the community; and then, within the next day or two, the Commission allowed the new applicant to come in to take advantage of their procedure and force a long delay. I understand that perhaps the procedure has been straightened out through a recent change in the regulations of the Communications Commission, and I sincerely hope that such is the case. I understand that in connection with the hearings they have speeded up the time of hearings and are getting away from much of the possibility of endless immaterial questions being asked and a great expense bill being saddled upon all applicants. I am glad that is the case. But I do not want us to forget the fact that the Commission itself has been slow to reach the time when it had an efficient procedure, and if the Commission is controllable by the Congress, and in a sense it is an arm of the Congress set-up to relieve us of the details of handling a field of service which otherwise we would have to handle, I want this Congress to make sure that they do speed up this procedure. For that reason, I certainly stand back of the distinguished Senator from Colorado and the junior Senator from Florida in their insistence that something be done in the passage of the pending appropriation bill that will take some of the difficulties off us, and will, I am sure, assure our constituents that we are living up to our responsibilities to give them adequate service at an early date.

This means something to the Nation in terms of taxation and in terms of great business enlargement, in the giving of markets for hundreds of thousands of additional television sets, and all the electrical equipment and other activity which goes with them.

I certainly hope the distinguished Senator will reach a solution which will settle this matter because, if he does not do so, the Congress of the United States will be in large part to blame.

Mr. SALTONSTALL. Mr. President, I believe I still have the floor.

Mr. HOLLAND. Mr. President, will the Senator yield in order that I may make one additional statement?

Mr. SALTONSTALL. I yield.

Mr. HOLLAND. Mr. President, I desire to remind the Senator from Massachusetts that I have voted with him and his committee all day long, in support of economy, both on record votes and on voice votes. Here is an issue as to

which I think he is about to practice some very false economy, and unless it is settled so as to greatly speed the award of television channels, the Congress of the United States is going to stand as the blameworthy branch of our Government.

Mr. MAYBANK. Mr. President, will the Senator from Massachusetts yield?

Mr. SALTONSTALL. I promised to yield to the Senator from Colorado [Mr. JOHNSON], but I will yield first to the Senator from South Carolina.

Mr. MAYBANK. Mr. President, I should like to add a word to what the distinguished Senator from Florida has said. Following the action of the Subcommittee on Appropriations and the full Committee on Appropriations with reference to the independent offices appropriation bill, the Federal Communications Commission was before the Senator from Florida [Mr. SMATHERS] and the Senator from Colorado [Mr. JOHNSON] today. I understand that the Commission has changed certain rules of procedure. I am happy that the Senator from Massachusetts may have an opportunity to take such action as will make it more likely that our constituents will receive good television service.

Mr. JOHNSON of Colorado. Mr. President, the Director of the Bureau of the Budget has been quoted several times in the debate. We have looked all through the hearings before the Senate subcommittee and cannot find any statement by the Director of the Bureau of the Budget with respect to this matter. Is there any oral statement or any written statement from him?

Mr. SALTONSTALL. I would reply to the Senator by saying that we talked with the Director of the Budget after the hearing to find out about it, and the statement of the Director came to us after the hearings were concluded and the statement is not included in the hearings.

Mr. JOHNSON of Colorado. That, of course, may account for the misunderstanding. As I now understand, the matter is going over until Wednesday, and by that time we shall have type-written copies of the committee's hearing this morning.

Mr. SALTONSTALL. Mr. President, I hope that the entire independent offices bill will go over until next Wednesday. I make that statement in pursuance of the suggestion of the majority leader, who talked with me before he had to leave the Chamber. Tomorrow it is the intention to take up the controls bill, and the first thing on Wednesday it is planned to resume the consideration of the independent offices appropriation bill.

I believe my colleague from Massachusetts [Mr. KENNEDY] has some remarks he wants to make at this time.

The PRESIDING OFFICER. The Chair wishes to make the statement that, without objection, the amendment of the Senator from Colorado and House bill 4663 will go over until Wednesday.

PRINTING OF PAMPHLET ENTITLED "OUR AMERICAN GOVERNMENT"

The PRESIDING OFFICER (Mr. HUNT in the chair) laid before the Sen-

ate the amendments of the House of Representatives to the concurrent resolution (S. Con. Res. 24) to revise and reprint the pamphlet entitled "Our American Government," which were, in line 7, strike out "one" and insert "five"; in line 8, strike out "twenty-four" and insert "thirty"; in lines 8 and 9, strike out "seven hundred and fifty", and in line 10, strike out "sixty-six thousand one hundred and fifty" and insert "four hundred sixty thousand nine hundred."

Mr. JENNER. Mr. President, I move that the Senate concur in the amendments of the House.

The motion was agreed to.

ORGANIZATION OF CERTAIN COMMITTEES OF THE SENATE

Mr. MORSE. Mr. President, I asked the Senator from Indiana [Mr. JENNER] and the Senator from Arizona [Mr. HAYDEN] to be present while I read for the RECORD two letters and make a very brief comment on them. They involve affairs of the Committee on Rules and Administration.

Under date of May 7, 1953, I sent to the Committee on Rules and Administration, over my signature, the following letter:

MAY 7, 1953.

HON. WILLIAM E. JENNER,
Chairman, Committee on Rules and Administration, United States Senate, Washington, D. C.

DEAR SENATOR JENNER: In view of the fact that Senate Resolution 32, which I introduced, is now pending on the calendar and will be considered by the Senate in the near future, I respectfully wish to call your attention to an error of fact upon which a substantial portion of the report on that measure (No. 142, April 14, 1953) is predicated.

The report recites that under amendments to Senate Resolution 32, which I submitted on March 6, it was proposed to reduce the Committee on Public Works from the present authorized membership of 11 to 8 places with the consequence that 2 present incumbents (1 Republican and 1 Democrat) would lose membership.

By a typographical error, the amendments proposed to the original resolution stated that each committee was proposed to be reduced to eight members. The responsibility for the typographical error is mine, but due notice of the error was given, as I shall show presently.

What was proposed and intended was a reduction of those two committees by one member each from the number adopted in early January pursuant to the Case resolution. The effect would be a reduction of the Public Works Committee from 11 to 10 members, and of the District of Columbia Committee from 9 to 8 members. In each case the odd seat was and remains unfilled.

On March 6, I stated on the floor, as appears in the CONGRESSIONAL RECORD, page 1746:

"What I propose in my amendment to Senate Resolution 32 is to increase the number of committee posts by two. That would be accomplished by adding two members to the Committee on Armed Services and two members to the Committee on Labor and Public Welfare, and by reducing the membership of the Committee on the District of Columbia and the Committee on Public Works by one member each. The total change in overall committee posts would be from 209 seats to 211 seats. At present the Committee on the District of Columbia is supposed to have 9 members and the Com-

mittee on Public Works is supposed to have 11 members. Until now each has operated with 1 vacancy."

Moreover, the amendments provided that the number of members of the majority party who would be permitted to serve on minor committees and 2 major committees would be increased from 14—as provided by the Case resolution—to 16. Had the proposal been to remove the vacant seat and 2 incumbents—a Republican and a Democrat—from the Public Works Committee, it would have been necessary only to increase this authorization to 15.

Thirdly, a day or two after I announced my intention to submit a discharge resolution a member of the staff of the Rules Committee telephoned my office and spoke to an assistant who was familiar with the measure. The Rules staff member inquired whether the amendments were intended to reduce the Public Works Committee by 3 and he asked why the authorization for majority-party members to serve on more than 2 committees was to be increased from 14 to 16.

It was explained that the increase of 1 member on both the Armed Services Committee and the Labor Committee required that increase. It was further explained that 3 members of the Committees on District of Columbia, Government Operations, and Post Office and Civil Service would be eligible; and that the amendment contained an error, to wit, the Public Works Committee was to be reduced from 11 to 10 members, not to 8, as the amendment, through a typographical error, stated.

On April 15 my assistant, upon seeing the committee's report, called that staff member and each confirmed the earlier conversation, the staff member explaining that the committee was informed of the conversation by memorandum.

I respectfully suggest that the committee may wish to issue an amended report based upon the amendments as explained and corrected in the RECORD. The committee may also wish to consult my remarks on this subject which appear in the CONGRESSIONAL RECORD on March 6, March 27, and April 16, tearsheets of which I enclose.

With kind regards.

Sincerely yours,

WAYNE MORSE.

I may say again, as I have said before, that I could call as my witness in regard to my intent the Senator from South Dakota [Mr. CASE], who on March 6, when I was making my speech on this matter, came to my desk and in a whisper pointed out the fact that the Committee on Public Works under my resolution should be a committee of 10 and not 8. It was his correction which is what brought forth the remarks properly showing my intent which appear in the CONGRESSIONAL RECORD of that date.

Under date of May 14, 1953, a letter was written to me by the chairman of the Rules Committee, the Senator from Indiana [Mr. JENNER], in which he said:

UNITED STATES SENATE,
COMMITTEE ON RULES AND
ADMINISTRATION,
May 14, 1953.

The Honorable WAYNE MORSE,
United States Senate,
Washington, D. C.

DEAR SENATOR MORSE: I appreciated having your letter of May 7, 1953, commenting upon the report submitted by this committee in connection with its adverse action on Senate Resolution 32.

I do not feel that a committee should be impelled to consider anything save what is officially before it. The error in your amendments was first called to the attention of your office by the committee staff on April 3. On that date, the committee staff was assured

Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

Issued May 21, 1953

For actions of May 20, 1953

83rd-1st, No. 92

OFFICE OF BUDGET AND FINANCE
(For Department Staff Only)

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HIGHLIGHTS: House passed agricultural appropriation bill. Senate passed independent offices appropriation bill. Both Houses received President's tax message. Sen. Mundt introduced and discussed bill to liberalize acreage-allotments law for corn and wheat. Rep. Marshall discussed ways to ease cattle-price situation. Rep. Wharton defended sale of surplus butter to Army.

HOUSE

1. AGRICULTURAL APPROPRIATION BILL, 1954. Passed, 384-12, with amendments this bill, H. R. 5227 (pp. 5420-58).

Agreed, 195-110, to a Rees (Kans.) amendment to reduce maximum payments under the Agricultural Conservation Program from \$2,500 to \$1,000 (pp. 5444-9, 5457).

Agreed to an Abernethy amendment to permit sale of SCS submarginal lands in Chickasaw and Pontotoc Counties, Miss., at market value (p. 5423).

Rejected, 196-201, a King amendment to reduce the advance authorization for the 1954 Agricultural Conservation Program from \$195,000,000 to \$140,000,000 and to permit reduction in the proportionate allocation to any State up to 40% instead of 15% (pp. 5424-43, 5456-7).

Rejected, 30-131, a Gwinn amendment to reduce Farmers' Home Administration salaries and expenses from \$27,600,000 to \$12,600,000 (pp. 5452-4).

Rejected a Gwinn amendment to reduce Federal Crop Insurance Corporation administrative expenses from \$7,350,000 to \$1,350,000 (pp. 5450-1).

A Poage amendment, to authorize the use of the \$30,000,000 contingency borrowing authorization for rural-electrification loans in the States where needed without regard to the formula, was ruled out of order (p. 5451).

A Fulton amendment, to reduce the maximum Agricultural Conservation Program payment to any one producer and to prohibit payments to persons whose net income is \$10,000 a year or more, was ruled out of order (pp. 5443-4).

2. TAXATION. Both Houses received from the President a message recommending temporary continuation of the excess-profits tax, continuation of the present corporation tax rate, postponement of the increase in old-age insurance taxes, modification of excise taxes, reduction of income taxes in 1954, and comprehensive reexamination of the entire tax structure; to House Ways and Means Committee and Senate Finance Committee (H. Doc. 146)(pp. 5458-9, 5403).

3. EXTENSION SERVICE. The Agriculture Committee ordered reported (but did not actually report) without amendment H. R. 4677, to consolidate appropriation authorizations for the Extension Service (p. D444).
4. FLOOD CONTROL. The Public Works Committee reported with amendment H. R. 2954, relating to the apportionment of moneys received on account of the leasing of lands acquired by the U. S. for flood-control purposes (H. Rept. 444), and H. R. 183, approving a Connecticut River flood-control compact (H. Rept. 445) (p. 5461).

SENATE

5. APPROPRIATIONS. Passed with amendments H. R. 4663, the first independent offices appropriation bill for 1954 (pp. 5370-8, 5389-403). Sens. Saltonstall, Bridges, Ferguson, Cordon, Maybank, Hill, and Ellender were appointed conferees (p. 5403). Adopted; 39-36, a modified Douglas amendment to reduce by \$4,000,000 GSA funds for repair and maintenance of Federal buildings outside D. C. (pp. 5397-9). Rejected; 35-43, a Dirksen amendment to reduce by 5% all items in the bill except for Presidential pay (pp. 5376-7, 5389-93). Rejected, 19-56, a committee amendment increasing by \$5,923,930 funds for operating expenses of Public Buildings Service (pp. 5393-7). Rejected a Douglas amendment to eliminate \$3,000,000 for the building management fund (p. 5399).
6. WEATHER CONTROL. The Interstate and Foreign Commerce Committee approved for reporting (but did not actually report) with amendments S. 285, to create a committee to study and evaluate public and private experiments in weather control (p. D443).
7. TAXATION. Sen. Knowland inserted the President's address on fiscal policy (pp. 5358-60). Sens. Gore, Ferguson, and others discussed this speech and its implications (pp. 5380-5, 5404-5).
8. WHEAT AGREEMENT. Received a Washington Legislature resolution urging renewal of the International Wheat Agreement (p. 5361).
9. ST. LAWRENCE SEAWAY. Sen. Lehman inserted his statement before the Senate Foreign Relations Committee favoring this project (pp. 5366-9).
10. PERSONNEL. Sen. Williams claimed "several thousand Government employees were illegally promoted during the closing days of the Truman regime" and inserted material on this (pp. 5387-9).
11. NEW ENGLAND. Sen. Kennedy analyzed the economic problems facing New England, including speculation in wool futures (pp. 5405-18).

BILLS INTRODUCED

12. ACREAGE ALLOTMENTS. S. J. Res. 79, by Sen. Mundt (for himself and others), to increase allowances for carry-over and acreage allotments for the 1954 crops of corn and wheat; to Agriculture and Forestry Committee. Remarks of author. (p. 5362.)
13. RECLAMATION. H. R. 5301, by Rep. Miller, Nebr., to amend and supplement the reclamation laws to provide for Federal cooperation in Non-Federal projects; to Interior and Insular Affairs Committee (p. 5462).
14. WATER COMPACT. H. R. 5309, by Rep. Patman, granting consent to an interstate

83D CONGRESS
1ST SESSION

H. R. 4663

IN THE HOUSE OF REPRESENTATIVES

MAY 20, 1953

Ordered to be printed with the amendments of the Senate numbered

AN ACT

Making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1954, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That the following sums are appropriated, out of any money
4 in the Treasury not otherwise appropriated, for the Execu-
5 tive Office and sundry independent executive bureaus, boards,
6 commissions, corporations, agencies, and offices, for the fiscal
7 year ending June 30, 1954, namely:

1 EXECUTIVE OFFICE OF THE PRESIDENT

2 COMPENSATION OF THE PRESIDENT

3 For compensation of the President, including an expense
4 allowance at the rate of \$50,000 per annum, as authorized
5 by the Act of January 19, 1949 (3 U. S. C. 102),
6 \$150,000.

7 THE WHITE HOUSE OFFICE

8 Salaries and expenses: For expenses necessary for The
9 White House Office, including not to exceed \$120,000 for
10 services as authorized by section 15 of the Act of August
11 2, 1946 (5 U. S. C. 55a), at such per diem rates for in-
12 dividuals as the President may specify, and other personal
13 services without regard to the provisions of law regulating
14 the employment and compensation of persons in the Govern-
15 ment service; and travel and official entertainment expenses
16 of the President, to be accounted for solely on his certificate;
17 \$1,800,000.

18 EMERGENCY FUND FOR THE PRESIDENT

19 NATIONAL DEFENSE

20 For expenses necessary to enable the President, through
21 such officers or agencies of the Government as he may des-
22 ignate, and without regard to such provisions of law regard-
23 ing the expenditure of Government funds or the compensation
24 and employment of persons in the Government service as
25 he may specify, to provide in his discretion for emergencies

1 affecting the national interest, security, or defense which may
 2 arise at home or abroad during the current fiscal year,
 3 ~~(1)\$500,000~~ \$300,000, together with the unobligated bal-
 4 ance in such fund on June 30, 1953: *Provided*, That no part
 5 of this appropriation shall be available for allocation to finance
 6 a function or project for which function or project a budget
 7 estimate of appropriation was transmitted pursuant to law
 8 during the Eighty-third Congress and such appropriation
 9 denied after consideration thereof by the Senate or House of
 10 Representatives or by the Committee on Appropriations of
 11 either body.

12 EXECUTIVE MANSION AND GROUNDS

13 For the care, maintenance, repair and alteration, re-
 14 furnishing, improvement, heating and lighting, including
 15 electric power and fixtures, of the Executive Mansion and
 16 the Executive Mansion grounds, and traveling expenses, to
 17 be expended as the President may determine, notwithstand-
 18 ing the provisions of this or any other Act, \$356,184.

19 BUREAU OF THE BUDGET

20 Salaries and expenses: For expenses necessary for the
 21 Bureau of the Budget, including newspapers and periodicals
 22 (not exceeding \$200) ; teletype news service (not exceed-
 23 ing \$900) ; not to exceed \$70,000 for expenses of travel; and
 24 not to exceed \$20,000 for services as authorized by section 15
 25 of the Act of August 2, 1946 (5 U. S. C. 55a) , at rates not

1 to exceed \$50 per diem for individuals; \$3,412,000: *Pro-*
 2 *vided*, That the title of the position of the Assistant Di-
 3 rector of the Bureau of the Budget is changed to Deputy
 4 Director: *Provided further*, That two positions of Assistant
 5 Director are hereby authorized at a salary of \$15,000 each
 6 per annum in lieu of two positions in grade GS-18.

7 INDEPENDENT OFFICES

8 AMERICAN BATTLE MONUMENTS COMMISSION

9 SALARIES AND EXPENSES

10 Salaries and expenses: For necessary expenses, as au-
 11 thorized by the Act of June 26, 1946 (36 U. S. C. 121,
 12 123-132, 138), including the acquisition of land or interest
 13 in land in foreign countries; purchase and repair of uniforms for
 14 caretakers of national cemeteries and monuments outside of
 15 the United States and its Territories and possessions at a cost
 16 not exceeding \$500; not to exceed ~~(2)\$8,000~~ \$12,000 for
 17 expenses of travel; rent of office and garage space in foreign
 18 countries; and insurance of official motor vehicles in
 19 foreign countries when required by law of such countries;
 20 \$750,000: *Provided*, That where station allowance has been
 21 authorized by the Department of the Army for officers of the
 22 Army serving the Army at certain foreign stations, the same
 23 allowance shall be authorized for officers of the Armed Forces

1 assigned to the Commission while serving at the same foreign
2 stations, and this appropriation is hereby made available for
3 the payment of such allowance: *Provided further*, That when
4 traveling on business of the Commission, officers of the Armed
5 Forces serving as members or as secretary of the Commission
6 may be reimbursed for expenses as provided for civilian
7 members of the Commission.

8 CONSTRUCTION OF MEMORIALS AND CEMETERIES

9 Construction of memorials and cemeteries: For expenses
10 necessary for the permanent design and construction of
11 memorials and cemeteries in foreign countries as authorized
12 by the Act of June 26, 1946 (36 U. S. C. 121, 123-132,
13 138b), and the Act of August 5, 1947 (50 U. S. C. App.
14 1819), including not to exceed ~~(3)\$27,520~~ \$41,276 for ex-
15 penses of travel, ~~(4)\$9,500,000~~ \$4,500,000, to remain avail-
16 able until expended ~~(5)~~, and, in addition, the Commission is
17 authorized to utilize for carrying out the purposes of this ap-
18 propriation, without dollar reimbursement from this or any
19 other appropriation, foreign currencies or credits owed to or
20 owned by the Treasury of the United States in an amount not
21 exceeding \$4,000,000, and the Secretary of the Treasury
22 is directed to make such foreign currencies or credits available
23 to the Commission in the amount stated, to remain available

1 *until expended: Provided, That foreign currencies available*
 2 *to the credit of the Treasury shall be used to defray expenses*
 3 *incurred for this purpose wherever practicable.*

4 CIVIL SERVICE COMMISSION

5 Salaries and expenses: For necessary expenses, includ-
 6 ing not to exceed \$29,000 for services as authorized by
 7 section 15 of the Act of August 2, 1946 (5 U. S. C. 55a) ;
 8 not to exceed \$10,000 for medical examinations performed
 9 for veterans by private physicians on a fee basis; travel
 10 expenses of examiners acting under the direction of the Com-
 11 mission, and expenses of examinations and investigations held
 12 in Washington and elsewhere; not to exceed \$100 for the
 13 purchase of newspapers and periodicals (excluding scientific,
 14 technical, trade or traffic periodicals, for official use) ; pay-
 15 ment in advance for library membership in societies whose
 16 publications are available to members only or to members at
 17 a price lower than to the general public; not to exceed
 18 \$65,000 for performing the duties imposed upon the Com-
 19 mission by the Act of July 19, 1940 (54 Stat. 767) ;
 20 reimbursement of the General Services Administration for
 21 security guard services for protection of confidential files; not
 22 to exceed ~~(6)\$383,335~~ \$570,000 for expenses of travel; and
 23 not to exceed \$5,000 for actuarial services by contract, without
 24 regard to section 3709, Revised Statutes, as amended;
 25 ~~(7)\$16,064,323~~ \$17,000,000: *Provided, That no details*

1 from any executive department or independent establishment
2 in the District of Columbia or elsewhere to the Commission's
3 central office in Washington or to any of its regional offices
4 shall be made during the current fiscal year, but this shall
5 not affect the making of details for service as members of the
6 boards of examiners outside the immediate offices of the Com-
7 mission in Washington or of the regional directors, nor shall
8 it affect the making of details of persons qualified to serve as
9 expert examiners on special subjects: *Provided further*, That
10 the Civil Service Commission shall have power in case of
11 emergency to transfer or detail any of its employees to or
12 from its office or field force: *Provided further*, That members
13 of the Loyalty Review Board in Washington and of the
14 regional loyalty boards in the field may be paid actual trans-
15 portation expenses, and per diem in lieu of subsistence author-
16 ized by the Travel Expense Act of 1949 while traveling on
17 official business away from their homes or regular places of
18 business, and while en route to and from and at the place
19 where their services are to be performed: *Provided further*,
20 That nothing in section 281 or 283 of title 18, United States
21 Code, or in section 190 of the Revised Statutes (5 U. S. C.
22 99) shall be deemed to apply to any person because of his
23 appointment for part-time or intermittent service as a mem-
24 ber of the Loyalty Review Board or a regional loyalty board
25 in the Civil Service Commission: *Provided further*, That,

1 effective July 1, 1953, or on the date of enactment of this
2 Act if such date is subsequent to July 1, 1953, the Federal
3 Personnel Council, Civil Service Commission, is hereby
4 abolished, and its personnel (at a cost not exceeding \$25,000
5 for the current fiscal year), files, records, and other property
6 are transferred to the Office of the Executive Director, Civil
7 Service Commission.

8 No part of the appropriations herein made to the Civil
9 Service Commission shall be available for the salaries and
10 expenses of the Legal Examining Unit in the Examining
11 and Personnel Utilization Division of the Commission, es-
12 tablished pursuant to Executive Order Numbered 9358 of
13 July 1, 1943, or for the compensation or expenses of any
14 member of a board of examiners (1) who has not made
15 affidavit that he has not appeared in any agency proceeding
16 within the preceding two years, and will not thereafter while
17 a board member appear in any agency proceeding, as a party,
18 or in behalf of a party to the proceeding, before an agency in
19 which an applicant is employed who has been rated or will
20 be rated by such member; or (2) who, after making such
21 affidavit, has rated an applicant who at the time of the rating
22 is employed by an agency before which the board member
23 has appeared as a party, or in behalf of a party, within the
24 preceding two years: *Provided*, That the definitions of
25 "agency", "agency proceeding", and "party" in section 2

1 of the Administrative Procedure Act shall apply to these
2 terms as used herein.

3 No part of appropriations herein shall be used to pay the
4 compensation of officers and employees of the Civil Service
5 Commission who allocate or reallocate supervisory positions
6 in the classified civil service solely on the size of the group,
7 section, bureau, or other organization unit, or on the number
8 of subordinates supervised. References to size of the group,
9 section, bureau, or other organization unit or the number of
10 subordinates supervised may be given effect only to the ex-
11 tent warranted by the workload of such organization unit
12 and then only in combination with other factors, such as the
13 kind, difficulty, and complexity of work supervised, the de-
14 gree and scope of responsibility delegated to the supervisor,
15 and the kind, degree, and value of the supervision actually
16 exercised.

17 Annuities, Panama Canal construction employees and
18 Lighthouse Service widows: For payment of annuities au-
19 thorized by the Act of May 29, 1944, as amended (48
20 U. S. C. 1373a), and the Act of August 19, 1950 (64 Stat.
21 465), \$2,500,000.

22 Payment to the civil-service retirement and disability
23 fund for increases in annuities provided by the Act of July
24 16, 1952: For payment to the "civil-service retirement and

1 disability fund" for the cost, as heretofore determined by
 2 the Civil Service Commission, of increases in annuities pro-
 3 vided by the Act of July 16, 1952 (66 Stat. 723), for
 4 the fiscal year 1954, \$31,397,000.

5 FEDERAL COMMUNICATIONS COMMISSION

6 Salaries and expenses: For necessary expenses in per-
 7 forming the duties of the Commission as authorized by law,
 8 including newspapers (not to exceed \$175), land and
 9 structures (not to exceed ~~(8)\$3,000~~ \$13,000), special coun-
 10 sel fees, improvement and care of grounds and repairs to build-
 11 ings (not to exceed \$17,500), services as authorized by
 12 section 15 of the Act of August 2, 1946 (5 U. S. C. 55a),
 13 ~~(9)purchase of not to exceed sixteen passenger motor vehicles,~~
 14 ~~for replacement only,~~ and not to exceed ~~(10)\$73,335~~
 15 \$90,000 for expenses of travel, ~~(11)\$7,400,000~~ \$7,400,000
 16 ~~(12),—of which not less than \$935,000 shall be available for~~
 17 ~~personal services necessary for application processing and~~
 18 ~~hearings in connection with the issuance and renewal of tele-~~
 19 ~~vision licenses, and not less than \$809,274 shall be available~~
 20 ~~for personal services necessary for application processing~~
 21 ~~and hearings in connection with the issuance of licenses in~~
 22 ~~the safety and special radio services.~~

FEDERAL POWER COMMISSION

Salaries and expenses: For expenses necessary for the work of the Commission, as authorized by law, including not to exceed ~~(13)\$173,335~~ \$240,000 for expenses of travel; hire of passenger motor vehicles; and not to exceed \$500 for newspapers; \$4,300,000, of which not to exceed \$10,000 shall be available for special counsel and services as authorized by section 15 of the Act of August 2, 1946 (5 U. S. C. 55a), but at rates not exceeding \$50 per diem for individuals.

FEDERAL TRADE COMMISSION

Salaries and expenses: For necessary expenses of the Federal Trade Commission, including contract stenographic reporting services, not to exceed \$500 for newspapers, and not to exceed ~~(14)\$163,035~~ \$196,435 for expenses of travel, ~~(15)\$4,178,800~~ \$4,053,800: *Provided*, That no part of the foregoing appropriation shall be expended upon any investigation hereafter provided by concurrent resolution of the Congress until funds are appropriated subsequently to the enactment of such resolution to finance the cost of such investigation: *Provided further*, That no part of the foregoing appropriation shall be available for a statistical analysis of the consumer's dollar.

1 GENERAL ACCOUNTING OFFICE

2 Salaries and expenses: For necessary expenses of the
3 General Accounting Office, including newspapers and peri-
4 odicals (not exceeding \$500), and services as authorized
5 by section 15 of the Act of August 2, 1946 (5 U. S. C. 55a),
6 \$31,981,000.

7 GENERAL SERVICES ADMINISTRATION

8 Operating expenses, Public Buildings Service: For
9 necessary expenses of real property management and
10 related activities as provided by law; including the salary
11 of the Commissioner of Public Buildings at the rate of
12 \$16,500 per annum so long as the position is held by the
13 present incumbent; repair and improvement of public
14 buildings and grounds (including furnishings and equip-
15 ment) under the control of the General Services Adminis-
16 tration; rental of buildings in the District of Columbia;
17 restoration of leased premises; moving Government agen-
18 cies in connection with the assignment, allocation, and
19 transfer of building space; demolition of buildings; acquisi-
20 tion by purchase or otherwise and disposal by sale or other-
21 wise of real estate and interests therein; and not to
22 exceed (16) ~~\$161,200~~ \$208,300 for expenses of travel;
23 \$98,826,070: *Provided*, That the foregoing appropriation
24 shall not be available to effect the moving of Government
25 agencies from the District of Columbia into buildings acquired

1 to accomplish the dispersal of departmental functions of the
 2 executive establishment into areas outside of but accessible to
 3 the District of Columbia.

4 Emergency operating expenses: For necessary emergency
 5 expenses of the General Services Administration not other-
 6 wise provided for, for operation, maintenance, protection,
 7 repair, alterations, and improvements of public buildings and
 8 grounds (including furnishings and equipment) to the extent
 9 that such buildings and grounds are under the control of the
 10 General Services Administration for such purposes as are
 11 provided for in Public Law 152, Eighty-first Congress, as
 12 amended; rental of buildings or parts thereof in the District
 13 of Columbia and elsewhere, including repairs, alterations,
 14 and improvements necessary for proper use by the Govern-
 15 ment, without regard to section 322 of the Act of June 30,
 16 1932, as amended (40 U. S. C. 278a) ; restoration of leased
 17 premises; moving Government agencies in connection with
 18 the assignment, allocation, and transfer of building space; and
 19 not to exceed (17)~~\$22,865~~ \$30,000 for expenses of travel;
 20 (18)~~\$22,668,250~~ \$20,000,000: *Provided*, That of this
 21 amount, such sums as may be determined by the General
 22 Services Administrator to be necessary may be paid into
 23 other appropriations of the General Services Administration
 24 only for purposes of accounting: *Provided further*, That no
 25 part of this appropriation shall be available to effect the mov

ing of Government agencies from the District of Columbia to accomplish the dispersal of departmental functions.

Repair, improvement, and equipment of federally owned buildings outside the District of Columbia: For expenses necessary for the repair, alteration, preservation, renovation, improvement, equipment, and demolition of federally owned buildings outside the District of Columbia, not otherwise provided for, including grounds, approaches and appurtenances, wharves and piers, together with the necessary dredging adjacent thereto; acquisition of land as authorized by title III of the Act of June 16, 1949 (40 U. S. C. 297) ; not to exceed ~~(19)\$133,400~~ \$160,000 for expenses of travel; and care and safeguarding of sites acquired for Federal buildings; ~~(20)\$18,000,000~~ \$14,000,000, to remain available until expended.

Buildings management fund: For working capital for the "Buildings management fund", authorized by the Act approved July 12, 1952 (66 Stat. 594), \$3,000,000, to remain available without fiscal year limitation.

Remodeling the Congress Street Post Office, Chicago, Illinois: For remodeling the Congress Street Post Office building and facilities in Chicago, Illinois, including ramps and approach roadways, as authorized by section 408 of the Public Buildings Act of 1949 (63 Stat. 176), to permit Congress Street to be developed, by the City of Chicago, as a

1 superhighway through said post office, and including not to
 2 exceed ~~(21)\$800~~ \$1,200 for expenses of travel, \$576,200, to
 3 remain available until expended: *Provided*, That this appro-
 4 priation shall not be available until the city of Chicago shall have
 5 paid to the United States the sum of \$600,000 as its con-
 6 tribution to the cost of the project appropriated for herein,
 7 and said amount may be credited to this appropriation and
 8 shall be available for the purposes thereof.

9 Operating expenses, Federal Supply Service: For neces-
 10 sary expenses of personal property management and related
 11 activities as provided by law; including not to exceed \$300
 12 for the purchase of newspapers and periodicals; and not
 13 to exceed ~~(22)\$79,865~~ \$81,000 for expenses of travel;
 14 \$2,605,000.

15 Expenses, general supply fund: For expenses necessary
 16 for operation of the general supply fund (except those
 17 authorized by law to be charged to said fund), including
 18 contractual services incident to receiving, handling, and
 19 shipping warehouse items; not to exceed \$250 for purchase of
 20 newspapers and periodicals; and not to exceed ~~(23)\$140,700~~
 21 \$174,200 for expenses of travel; \$13,924,500: *Provided*,
 22 That funds available to the General Services Administration
 23 for the current fiscal year shall be available for the hire of
 24 passenger motor vehicles.

25 Operating expenses, National Archives and Records

1 Service: For necessary expenses in connection with Federal
 2 records management and related activities as provided by
 3 law; and not to exceed ~~(24)\$24,600~~ \$36,900 for expenses of
 4 travel; ~~(25)\$5,625,000~~ \$5,525,000 of which ~~(26)\$200,000~~
 5 \$100,000 shall remain available until expended for nitrate
 6 film conversion.

7 Administrative operations: For necessary expenses of
 8 executive direction for activities under the control of the
 9 General Services Administration, of administrative operations
 10 for activities under regular appropriations for "Operating
 11 expenses," and of processing and determining renegotiation
 12 rebates; including not to exceed ~~(27)\$88,600~~ \$98,200 for
 13 expenses of travel; and not to exceed \$250 for purchase of
 14 newspapers and periodicals; ~~(28)\$4,140,750~~ \$4,200,000.

15 Refunds under Renegotiation Act: For refunds under
 16 section 201 (f) of the Renegotiation Act of 1951,
 17 \$9,000,000, which, together with the unobligated balance
 18 of the appropriations granted under this head for the fiscal
 19 years 1952 and 1953, shall remain available until June 30,
 20 1955: *Provided*, That to the extent refunds are made from
 21 this appropriation of excessive profits collected under the Re-
 22 negotiation Act and retained by the Reconstruction Finance
 23 Corporation or any of its subsidiaries, the Reconstruction

1 Finance Corporation or the appropriate subsidiary shall
2 reimburse this appropriation.

3 Strategic and critical materials: Funds available for
4 this purpose during the current fiscal year shall be available
5 for services as authorized by section 15 of the Act of
6 August 2, 1946 (5 U. S. C. 55a), and not to exceed
7 ~~(29)\$143,000~~ \$209,550 of such funds shall be available for
8 expenses of travel: *Provided*, That any funds received as pro-
9 ceeds from sale or other disposition of materials on account of
10 the rotation of stocks under said Act shall be deposited to the
11 credit, and be available for expenditure for the purposes,
12 of this appropriation: *Provided further*, That during the
13 current fiscal year, there shall be no limitation on the value
14 of surplus strategic and critical materials which, in accord-
15 ance with subsection 6 (a) of the Act of July 23, 1946
16 (50 U. S. C. 98e (a)), may be transferred to stockpiles
17 established in accordance with said Act.

18 Strategic and critical materials (liquidation of contract
19 authorization): For liquidation of obligations incurred pur-
20 suant to authority heretofore granted under this head, to
21 enter into contracts for the purpose of the Strategic and
22 Critical Materials Stock Piling Act of July 23, 1946, not

1 to exceed \$30,000,000 may be expended from funds previ-
2 ously appropriated under the title "Strategic and critical
3 materials": *Provided*, That this amount may be disbursed
4 through the appropriation "Strategic and critical materials"
5 but shall be accounted for separately therein.

6 The appropriate foregoing appropriation to the General
7 Services Administration shall be credited with (1) advances
8 or reimbursements for salaries and administrative expenses
9 chargeable against other appropriations of the General Serv-
10 ices Administration, and such salaries and expenses may be
11 paid from such foregoing appropriation; (2) cost of mainte-
12 nance, upkeep, and repair included as part of rentals received
13 from Government corporations pursuant to law (40 U. S. C.
14 129) ; (3) reimbursements for services performed in respect
15 to bonds and other obligations under the jurisdiction of the
16 General Services Administration, issued by public authorities,
17 States, or other public bodies, and such services in respect
18 to such bonds or obligations as the Administrator deems
19 necessary and in the public interest may, upon the request
20 and at the expense of the issuing agencies, be provided from
21 the appropriate foregoing appropriation; and (4) appro-
22 priations or funds available to other agencies, and transferred
23 to the General Services Administration, in connection with
24 property transferred to the General Services Administration
25 pursuant to the Act of July 2, 1948 (50 U. S. C. 451ff),

1 and such appropriations or funds may, with the approval of
2 the Bureau of the Budget, be so transferred.

3 During the current fiscal year, no part of any money
4 appropriated in this or any other Act shall be used during
5 any quarter of such fiscal year to purchase within the con-
6 tinental limits of the United States typewriting machines
7 (except bookkeeping and billing machines) at a price which
8 exceeds 90 per centum of the lowest net cash price, plus
9 applicable Federal excise taxes, accorded the most-favored
10 customer (other than the ~~(30)~~Federal government, State
11 ~~governments~~, *Government*, the American National Red Cross,
12 and the purchasers of typewriting machines for educational
13 purposes only) of the manufacturer of such machines during
14 the six-month period immediately preceding such quarter:
15 *Provided*, That the purchase, utilization, and disposal
16 of typewriting machines shall be performed in accord-
17 ance with the provisions of the Federal Property and Ad-
18 ministrative Services Act of 1949, as amended.

19 REDUCTIONS IN APPROPRIATIONS

20 Amounts available to the General Services Administra-
21 tion from appropriations and other funds are hereby reduced
22 in the sums hereinafter set forth, such sums to be carried to
23 the surplus fund and covered into the Treasury immediately
24 upon the approval of this Act:

25 Construction of public buildings, \$160,000.

1 Geophysical Institute, Alaska, \$49,000.

2 Acquisition of additional land in the District of
3 Columbia, \$1,075,000.

4 HOUSING AND HOME FINANCE AGENCY

5 OFFICE OF THE ADMINISTRATOR

6 Salaries and expenses: For necessary expenses of the
7 Office of the Administrator, including rent in the District of
8 Columbia; services as authorized by section 15 of the Act
9 of August 2, 1946 (5 U. S. C. 55a); not to exceed
10 ~~(31)\$175,800~~ \$211,300 for expenses of travel; expenses of
11 attendance at meetings of organizations concerned with the
12 work of the agency; and transportation expenses and not to
13 exceed \$25 per diem in lieu of subsistence, as authorized by
14 section 5 of the Act of August 2, 1946 (5 U. S. C. 73b-2),
15 for persons serving without compensation as members of
16 any advisory committee established pursuant to title VI of the
17 Housing Act of 1949; ~~(32)\$2,587,100~~ \$3,455,000(33),
18 *of which not to exceed \$125,000 shall be available for*
19 *liquidation of the housing research program not later than*
20 *April 30, 1954: Provided, That necessary expenses of*
21 inspections and of providing representatives at the site
22 of projects being undertaken by local public agencies
23 pursuant to title I of the Housing Act of 1949 and
24 of projects financed through loans to educational in-
25 stitutions authorized by title IV of the Housing Act of

1 1950, shall be compensated by such agencies or institu-
 2 tions by the payment of fixed fees which in the aggregate
 3 will cover the costs of rendering such services, and expenses
 4 for such purpose shall be considered nonadministrative; and
 5 for the purpose of providing such inspections, the Adminis-
 6 trator may utilize any agency and such agency may accept
 7 reimbursement or payment for such services from such insti-
 8 tutions or the Administrator, and shall credit such amounts
 9 to the appropriations or funds against which such charges
 10 have been made, but such nonadministrative expenses shall not
 11 exceed \$500,000 ~~(34)~~: *Provided further, That not to exceed*
 12 ~~\$40,000 of this appropriation shall be available for a reor-~~
 13 ~~ganization survey of the Housing and Home Finance Agency~~
 14 ~~in cooperation with the President's Advisory Committee on~~
 15 ~~Government Organization: Provided further, That the Ad-~~
 16 ~~ministrator is authorized without regard to any other pro-~~
 17 ~~visions of law to transfer without reimbursement any project~~
 18 ~~or facility, or part thereof, constructed or provided under title~~
 19 ~~II of the Act of October 14, 1940, as amended (including~~
 20 ~~any personal property related to such project or facility),~~
 21 ~~to any other department or agency, whenever the head of~~
 22 ~~such department or agency so requests after determining~~
 23 ~~that such project or facility is required for the continued~~
 24 ~~operation of or is an integral part of a project or facility~~
 25 ~~under the jurisdiction of such department or agency (35):~~ *Pro-*

1 *vided further*, That the Administrator's general supervision
 2 and coordination responsibilities under Reorganization Plan
 3 Numbered 3 of 1947 shall carry full authority to assign and
 4 reassign functions, to reorganize and to make whatever
 5 changes, including the reallocation and transfer of adminis-
 6 trative expense funds and authority where applicable, ~~neeces-~~
 7 sary to promote economy and efficiency in the operations of
 8 the Housing and Home Finance Agency (36): *Provided*
 9 *further*, That the Administrator shall not expend more than
 10 \$21,000,000 during the fiscal year 1954 on loans to educa-
 11 tional institutions not committed as of June 30, 1953.

12 Defense Community Facilities and Services: During the
 13 current fiscal year not to exceed (37)\$112,500 \$115,000 of
 14 the appropriations granted under this head in the Second and
 15 Third Supplemental Appropriation Acts, 1952, shall be
 16 available for administrative expenses in connection with the
 17 construction of facilities under such appropriations.

18 Capital grants for slum clearance and urban redevelop-
 19 ment: For an additional amount for payment of capital grants
 20 as authorized by title I of the Housing Act of 1949, as
 21 amended (42 U. S. C. 1453, 1456), \$20,000,000, to remain
 22 available until expended (38): *Provided*, That before ap-
 23 proving any local slum clearance program under title I
 24 of the Housing Act of 1949, the Administrator shall
 25 give consideration to the efforts of the locality to en-

1 force local codes and regulations relating to adequate
 2 standards of health, sanitation, and safety for dwellings and
 3 to the feasibility of achieving slum clearance objectives
 4 through rehabilitation of existing dwellings and areas
 5 ~~(39):~~ *Provided further*, That the authority under title I of
 6 the National Housing Act shall be used to the utmost in con-
 7 nection with slum rehabilitation needs ~~(40):~~ *Provided fur-*
 8 *ther*, That section 110, subsection ~~(e)~~ of the Housing Act of
 9 1949 is hereby amended to read: "Gross project cost" shall
 10 comprise ~~(1)~~ the amount of the expenditures by the local
 11 public agency with respect to any and all undertakings nec-
 12 essary to carry out the project ~~(including the payment of~~
 13 ~~carrying charges, but not beyond the point where the proj-~~
 14 ~~ect is completed, and excluding expenditures for parks, play-~~
 15 ~~grounds, public buildings, or similar facilities)~~, and ~~(2)~~ the
 16 amount of such local grants-in-aid as are described in clause
 17 ~~(2)~~ of section 110 ~~(d)~~ hereof.

18 PUBLIC HOUSING ADMINISTRATION

19 Administrative expenses: For administrative expenses of
 20 the Public Housing Administration, ~~(41)~~\$4,948,000 \$8,-
 21 000,000, to be merged with and expended under the authori-
 22 zation for such expenses contained in title II of this Act.

23 Annual contributions: For the payment of annual
 24 contributions to public housing agencies in accordance with
 25 section 10 of the United States Housing Act of 1937, as

1 amended (42 U. S. C. 1410), \$32,500,000: *Provided*,
2 That except for payments required on contracts entered
3 into prior to April 18, 1940, no part of this appropriation
4 shall be available for payment to any public housing agency
5 for expenditure in connection with any low-rent housing
6 project, unless the public housing agency shall have adopted
7 regulations prohibiting as a tenant of any such project by
8 rental or occupancy any person other than a citizen of the
9 United States, but such prohibition shall not be applicable in
10 the case of a family of any serviceman or the family of any
11 veteran who has been discharged (other than dishonorably)
12 from, or the family of any serviceman who died in, the
13 Armed Forces of the United States within four years prior
14 to the date of application for admission to such housing: *Pro-*
15 *vided further*, That all expenditures of this appropriation shall
16 be subject to audit and final settlement by the Comptroller
17 General of the United States under the provisions of the Bud-
18 get and Accounting Act of 1921, as amended (42): ~~*Pro-*~~
19 ~~*vided further*~~, That no housing shall be authorized by
20 the Public Housing Administration, or, if under construc-
21 tion, continue to be constructed, in any community where
22 the people of that community, by their duly elected repre-
23 sentatives, or by referendum, or by any other legal method,
24 have indicated they do not want it, and such community shall
25 negotiate with the Federal Government the repayment to

1 the Government, only such money expended prior to the
2 vote or other formal action whereby the community re-
3 jected such housing project: *Provided further, That, in any*
4 *case where the Public Housing Administration (after the*
5 *approvals on the part of the governing body of the community*
6 *required by law) has entered into a financial assistance*
7 *contract with a local housing authority covering a low-rent*
8 *housing project to be constructed in such community and the*
9 *people of that community, by vote of their duly elected*
10 *representatives, or by referendum, have thereafter indicated*
11 *that they do not want such low-rent housing project con-*
12 *structed, then, in such case the Public Housing Administra-*
13 *tion, for a period (which shall not again be granted in*
14 *connection with such low-rent housing project) of one hundred*
15 *and eighty days after the date of such vote or referendum,*
16 *or the effective date of this Act, whichever is the later date,*
17 *or such longer period as the Housing and Home Finance*
18 *Administrator, in his discretion, may grant, shall not (unless*
19 *requested by the governing body of the locality to do so)*
20 *authorize the award of any contract for the construction of*
21 *such low-rent housing project, or advance any further funds*
22 *for such low-rent housing project, and, during such period,*
23 *the local community shall negotiate with the Public Housing*
24 *Administration for the liquidation of such financial assistance*

1 contract and, if during such period the local community enters
2 into a valid and binding contract with the Public Housing
3 Administration for the repayment to it by the community of
4 a stated amount representing moneys advanced or guaranteed
5 by it under such financial assistance contract, and for the
6 payment of any additional sums which the local housing
7 authority or the Public Housing Administration would be
8 obligated or liable to pay to secure releases from obligations
9 theretofore incurred under such financial assistance con-
10 tract, the Public Housing Administration shall cancel
11 its financial assistance contract in respect to such low-
12 rent housing project: *Provided further*, That the record
13 of expenditure of the Public Housing Administration and
14 of the local housing authority on any public housing
15 project shall be open to examination by the responsible
16 authorities of any community in which such project is
17 located, or by the local public housing authority, or by any
18 firm of public accountants retained by either of the foregoing:
19 *Provided further*, That no housing unit constructed under
20 the United States Housing Act of 1937, as amended, shall
21 be occupied by a person who is a member of an organization
22 designated as subversive by the Attorney General: *Pro-*
23 *vided further*, That the foregoing prohibition shall be en-
24 forced by the local housing authority, and that such prohibi-
25 tion shall not impair or affect the powers or obligations of

1 the Public Housing Administration with respect to the
2 making of loans and annual contributions under the United
3 States Housing Act of 1937, as amended (43): *Provided*
4 *further, That the limitation in clause (2) of the third proviso*
5 *under this head in title I of the Independent Offices Appro-*
6 *priation Act, 1953, is amended to read as follows: "(2)*
7 *after the date of approval of this Act, enter into any agree-*
8 *ment, contract, or other arrangement which will bind the*
9 *Public Housing Administration with respect to loans, annual*
10 *contributions, or authorizations for commencement of con-*
11 *struction, for any dwelling units or projects": Provided fur-*
12 *ther, That notwithstanding the provisions of the United States*
13 *Housing Act of 1937, as amended, the Public Housing Ad-*
14 *ministration shall not, with respect to projects initiated after*
15 *March 1, 1949, (1) authorized during the fiscal year 1954 the*
16 *commencement of construction of in excess of thirty-five thou-*
17 *sand dwelling units or (2) after the date of approval of this*
18 *Act, enter into any agreement, contract, or other arrangement*
19 *which will bind the Public Housing Administration with*
20 *respect to loans, annual contributions, or authorizations for*
21 *commencement of construction, for dwelling units aggregating*
22 *in excess of thirty-five thousand to be authorized for com-*
23 *mencement of construction during any one fiscal year subse-*
24 *quent to the fiscal year 1954, unless a greater number of*
25 *units is hereafter authorized by the Congress.*

1 REDUCTIONS IN APPROPRIATIONS

2 Defense housing: The sum of \$17,500,000 of funds
3 heretofore appropriated under this head is hereby rescinded,
4 and such amount shall be covered into the Treasury promptly
5 upon enactment of this Act: *Provided*, That the amount
6 hereby rescinded may be reduced by an amount determined
7 by the Administrator to be required as a reserve for overruns
8 and contingencies in connection with projects heretofore
9 assigned for construction pursuant to Public Law 139
10 (Eighty-second Congress).

11 Alaska housing: Of amounts heretofore appropriated
12 under this head for the revolving fund authorized by the
13 Alaska Housing Act, Public Law 52 (Eighty-first Con-
14 gress), the Administrator shall cause to be covered into the
15 Treasury a total of \$5,000,000 in one or more deposits as
16 soon as practicable, but not later than June 30, 1954.

17 Advance planning of non-Federal public works: The sum
18 of \$4,600,000 of funds heretofore appropriated under this
19 head is hereby rescinded, and such amount shall be covered
20 into the Treasury promptly upon enactment of this Act.

21 INDIAN CLAIMS COMMISSION

22 Salaries and expenses: For expenses necessary to carry
23 out the purposes of the Act of August 13, 1946 (25 U. S. C.
24 70), creating an Indian Claims Commission, ~~(44)~~\$111,020,

1 \$117,020, of which not to exceed ~~(45)\$2,845~~ \$4,270 shall
 2 be available for expenses of travel.

3 INTERSTATE COMMERCE COMMISSION

4 General expenses: For expenses necessary in performing
 5 the functions vested by law in the Commission (49 U. S. C.
 6 1-24, 301-327, 901-923, 1001-1022), except those other-
 7 wise specifically provided for in this Act, and for general
 8 administration, including not to exceed \$5,000 for the em-
 9 ployment of special counsel; contract stenographic reporting
 10 services; newspapers (not to exceed \$200) ; ~~(46)~~*purchase of*
 11 *not to exceed nine passenger motor vehicles, for replacement only;*
 12 and not to exceed ~~(47)\$212,645~~ \$290,650 for expenses of
 13 travel; ~~(48)\$9,466,176~~ \$9,665,000, of which \$100,000 shall
 14 be available for valuations of pipe lines: *Provided*, That Joint
 15 Board members and cooperating State commissioners may use
 16 Government transportation requests when traveling in connec-
 17 tion with their duties as such.

18 Railroad safety: For expenses necessary in performing
 19 functions authorized by law (45 U. S. C. 1-15, 17-21,
 20 35-46, 61-64; 49 U. S. C. 26) to insure a maximum of
 21 safety in the operation of railroads, including authority to
 22 investigate, test experimentally, and report on the use and
 3 need of any appliances or systems intended to promote the

1 safety of railway operation, including those pertaining to
2 block-signal and train-control systems, as authorized by the
3 joint resolution approved June 30, 1906, and the Sundry
4 Civil Act of May 27, 1908 (45 U. S. C. 35-37), and to
5 require carriers by railroad subject to the Act to install auto-
6 matic train-stop or train-control devices as prescribed by the
7 Commission (49 U. S. C. 26), including the employment
8 of inspectors and engineers, and including not to exceed
9 \$163,050 for expenses of travel, \$974,500.

10 Locomotive inspection: For expenses necessary in the
11 enforcement of the Act of February 17, 1911, entitled "An
12 Act to promote the safety of employees and travelers upon
13 railroads by compelling common carriers engaged in inter-
14 state commerce to equip their locomotives with safe and
15 suitable boilers and appurtenances thereto", as amended
16 (45 U. S. C. 22-34), including not to exceed \$112,620
17 for expenses of travel, \$709,500.

18 INTERSTATE COMMISSION ON THE POTOMAC
19 RIVER BASIN

20 Contribution to Interstate Commission on the Potomac
21 River Basin: To enable the Secretary of the Treasury to
22 pay in advance to the Interstate Commission on the Potomac
23 River Basin the Federal contribution toward the expenses

1 of the Commission during the current fiscal year in the
 2 administration of its business in the conservancy district
 3 established pursuant to the Act of July 11, 1940 (54 Stat.
 4 748), \$5,000.

5 NATIONAL ADVISORY COMMITTEE FOR
 6 AERONAUTICS

7 Salaries and expenses: For necessary expenses of the
 8 Committee, including one Director at not to exceed \$17,500
 9 per annum so long as the position is held by the present
 10 incumbent; contracts for the making of special investigations
 11 and reports and for engineering, drafting and computing
 12 services; equipment; not to exceed ~~(49)\$216,700~~ \$325,000
 13 for expenses of travel; maintenance and operation of aircraft;
 14 not to exceed \$100 for newspapers and periodicals; and
 15 services as authorized by section 15 of the Act of August 2,
 16 1946 (5 U. S. C. 55a) ; ~~(50)\$52,988,050~~ \$51,000,000.

17 Construction and equipment: For construction and
 18 equipment at laboratories and research stations of the
 19 Committee, including the acquisition of not to exceed ten
 20 acres of land adjacent to the Lewis Flight Propulsion Lab-
 21 oratory, Cleveland, Ohio, \$7,239,000, to remain available
 22 until expended.

23 Construction and equipment (liquidation of contract au-

1 thorization) : For liquidation of obligations incurred pursu-
 2 ant to authority heretofore granted under this head to enter
 3 into contracts for construction and equipment, \$4,200,000.

4 NATIONAL CAPITAL HOUSING AUTHORITY

5 Maintenance and operation of properties: For the main-
 6 tenance and operation of properties under title I of the Dis-
 7 trict of Columbia Alley Dwelling Authority Act, \$43,000:
 8 *Provided*, That all receipts derived from sales, leases, or
 9 other sources shall be covered into the Treasury of the United
 10 States monthly: *Provided further*, That so long as funds are
 11 available from appropriations for the foregoing purposes, the
 12 provisions of section 507 of the Housing Act of 1950 (Public
 13 Law 475, Eighty-first Congress) shall not be effective.

14 NATIONAL CAPITAL PLANNING COMMISSION

15 Salaries and expenses: For necessary expenses, as
 16 authorized by the National Capital Planning Act of 1952
 17 (66 Stat. 781), including services as authorized by section
 18 15 of the Act of August 2, 1946 (5 U. S. C. 55a) ; not to ex-
 19 ceed \$100 for the purchase of newspapers and periodicals; not
 20 to exceed ~~(51)\$4,260~~ \$7,000 for expenses of travel; payment
 21 in advance for membership in societies whose publications or
 22 services are available to members only or to members at
 23 a price lower than to the general public; and transportation
 24 and not to exceed \$15 per diem in lieu of subsistence, as
 25 authorized by section 5 of the Act of August 2, 1946

1 (5 U. S. C. 73b-2) , for members of the Commission serving
 2 without compensation; ~~(52)~~\$97,915, \$155,000.

3 Land acquisition, National Capital park, parkway, and
 4 playground system: ~~(53)~~Of unexpended funds available for
 5 land acquisition purposes a total of not exceeding \$19,680 may
 6 be used during the current fiscal year for necessary expenses
 7 of the Commission (other than payments for land) in con-
 8 nection with land acquisition *For necessary expenses for the*
 9 *National Capital Planning Commission in connection with*
 10 *the acquisition of land for the park, parkway, and play-*
 11 *ground system of the National Capital, as authorized by the*
 12 *Act of May 29, 1930 (46 Stat. 482), as amended, \$365,000,*
 13 *to remain available until expended, \$100,000 of said sum to*
 14 *be used for carrying out the provisions of section 1 (a) of*
 15 *said Act and \$265,000 for carrying out the provisions of*
 16 *section 1 (b) of said Act: Provided, That not exceeding*
 17 *\$24,940 of the funds available for land acquisition purposes*
 18 *shall be used during the current fiscal year for necessary ex-*
 19 *penses of the Commission (other than payments for land) in*
 20 *connection with land acquisition.*

21 NATIONAL SCIENCE FOUNDATION

22 Salaries and expenses: For expenses necessary to carry
 23 out the purposes of the National Science Foundation Act of
 24 1950 (42 U. S. C. 1861-1875) , including award of gradu-
 25 ate fellowships; services as authorized by section 15 of the

1 Act of August 2, 1946 (5 U. S. C. 55a), at rates not to
 2 exceed \$50 per diem for individuals; hire of passenger motor
 3 vehicles; not to exceed ~~(54)\$78,000~~ \$101,000 for expenses of
 4 travel; not to exceed \$150 for the purchase of newspapers
 5 and periodicals; and reimbursement of the General Services
 6 Administration for security guard services; ~~(55)\$5,724,400~~
 7 \$10,000,000, to remain available until expended.

8 RENEGOTIATION BOARD

9 SALARIES AND EXPENSES

10 For necessary expenses of the Renegotiation Board, in-
 11 cluding expenses of attendance at meetings concerned with
 12 the purposes of this appropriation; hire of passenger motor
 13 vehicles; not to exceed ~~(56)\$238,700~~ \$305,600 for expenses
 14 of travel; and services as authorized by section 15 of the Act of
 15 August 2, 1946 (5 U. S. C. 55a), at rates not to exceed \$50
 16 per diem for individuals; \$5,192,800.

17 SECURITIES AND EXCHANGE COMMISSION

18 Salaries and expenses: For necessary expenses, includ-
 19 ing not to exceed \$500 for the purchase of newspapers;
 20 not to exceed ~~(57)\$104,170~~ \$150,000 for expenses of travel;
 21 and services as authorized by section 15 of the Act of August
 22 2, 1946 (5 U. S. C. 55a); ~~(58)\$5,245,080~~ \$5,000,000.

23 SMITHSONIAN INSTITUTION

24 Salaries and expenses, Smithsonian Institution: For all
 25 necessary expenses for the preservation, exhibition, and in-

crease of collections from the surveying and exploring expeditions of the Government and from other sources; for the system of international exchanges between the United States and foreign countries; for anthropological researches among the American Indians and the natives of lands under the jurisdiction or protection of the United States, independently or in cooperation with State, educational, and scientific organizations in the United States, and the excavation and preservation of archeological remains; for maintenance of the Astrophysical Observatory and making necessary observations in high altitudes; for the administration of the National Collection of Fine Arts; for the administration, construction and maintenance, of laboratory and other facilities on Barro Colorado Island, Canal Zone, under the provisions of the Act of July 2, 1940, as amended by the provisions of Reorganization Plan Numbered 3 of 1946; for the maintenance and administration of a national air museum as authorized by the Act of August 12, 1946 (20 U. S. C. 77) ; including not to exceed \$35,000 for services as authorized by section 15 of the Act of August 2, 1946 (5 U. S. C. 55a) ; not to exceed ~~(59)\$6,825~~ \$10,225 for expenses of travel; purchase, repair, and cleaning of uniforms for guards and elevator conductors; repairs and alterations of buildings and approaches; and preparation of manuscripts, drawings, and illustrations for publications; ~~(60)\$2,897,500~~ \$3,000,000.

1 Salaries and expenses, National Gallery of Art: For the
2 upkeep and operation of the National Gallery of Art, the
3 protection and care of the works of art therein, and admin-
4 istrative expenses incident thereto, as authorized by the Act
5 of March 24, 1937 (50 Stat. 51), as amended by the public
6 resolution of April 13, 1939 (Public Resolution 9, Seventy-
7 sixth Congress), including services as authorized by section
8 15 of the Act of August 2, 1946 (5 U. S. C. 55a) ; pay-
9 ment in advance when authorized by the treasurer of the
10 Gallery for membership in library, museum, and art associa-
11 tions or societies whose publications or services are available
12 to members only, or to members at a price lower than to the
13 general public; purchase, repair, and cleaning of uniforms
14 for guards and elevator operators; purchase or rental of de-
15 vices and services for protecting buildings and contents there-
16 of, and maintenance and repair of buildings, approaches, and
17 grounds; not to exceed ~~(61)\$1,600~~ \$1,800 for expenses of
18 travel; and not to exceed \$15,000 for restoration and repair
19 of works of art for the National Gallery of Art by contracts
20 made, without advertising, with individuals, firms, or organ-
21 izations at such rates or prices and under such terms and con-
22 ditions as the Gallery may deem proper; \$1,275,000.

23 SUBVERSIVE ACTIVITIES CONTROL BOARD

24 Salaries and expenses: For necessary expenses of the
25 Subversive Activities Control Board, including services as

authorized by section 15 of the Act of August 2, 1946 (5 U. S. C. 55a), not to exceed ~~(62)\$10,000~~ \$15,000 for expenses of travel, and not to exceed ~~(63)\$400~~ \$500 for the purchase of newspapers and periodicals, \$200,000, without regard to the provisions of subsection (c) of section 3679 of the Revised Statutes, as amended.

TARIFF COMMISSION

Salaries and expenses: For necessary expenses of the Tariff Commission, including subscriptions to newspapers (not to exceed \$200), not to exceed ~~(64)\$11,335~~ \$14,500 for expenses of travel, and contract stenographic reporting services as authorized by section 15 of the Act of August 2, 1946 (5 U. S. C. 55a), \$1,291,375: *Provided*, That no part of this appropriation shall be used to pay the salary of any member of the Tariff Commission who shall hereafter participate in any proceedings under sections 336, 337, and 338 of the Tariff Act of 1930, wherein he or any member of his family has any special, direct, and pecuniary interest, or in which he has acted as attorney or special representative.

THE TAX COURT OF THE UNITED STATES

Salaries and expenses: For necessary expenses, including contract stenographic reporting services and not to exceed ~~(65)\$40,000~~ \$45,000 for travel expenses, \$970,000: *Provided*, That travel expenses of the judges shall be paid upon the written certificate of the judge.

WAR CLAIMS COMMISSION

PAYMENT OF CLAIMS

For payment of claims, as authorized by the War Claims Act of 1948, as amended, from funds deposited in the Treasury to the credit of the war claims fund created by section 13 (a) of said Act, such sums as may be necessary, to be available to the Secretary of the Treasury for payment of claims under sections 4 (a), 4 (b) (2), 5 (a) through (e), 6, and 7 of said Act to the payees named and in the amounts stated in certifications by the War Claims Commission and the Secretary of Labor or their duly authorized representatives, which certifications shall be in lieu of any vouchers which might otherwise be required: *Provided*, That this appropriation shall not be available for administrative expenses: *Provided further*, That no claims shall be allowed or paid under the provisions of said War Claims Act of 1948 from any funds other than those covered into the Treasury pursuant to the provisions of section 39 of the Trading With the Enemy Act of October 6, 1917, as amended, as provided by section 13 (a) of said War Claims Act of 1948.

ADMINISTRATIVE EXPENSES

For expenses necessary for the War Claims Commission, including services as authorized by section 15 of the Act of August 2, 1946 (5 U. S. C. 55a); expenses of attendance at meetings concerned with the purposes of this appro-

1 priation; not to exceed ~~(66)\$5,000~~ \$7,520 for expenses of
2 travel; and advances or reimbursements to other Government
3 agencies for use of their facilities and services in carrying out
4 the functions of the Commission; ~~(67)\$750,000~~ \$850,000, to
5 be derived from the war claims fund created by section 13 (a)
6 of the War Claims Act of 1948 (Public Law 896, approved
7 July 3, 1948).

8 INDEPENDENT OFFICES—GENERAL PROVISIONS

9 SEC. 102. Where appropriations in this title are ex-
10 pendable for travel expenses of employees and no specific
11 limitation has been placed thereon, the expenditures for
12 such travel expenses may not exceed the amount set forth
13 therefor in the budget estimates submitted for the appro-
14 priations.

15 SEC. 103. Where appropriations in this title are expend-
16 able for the purchase of newspapers and periodicals and no
17 specific limitation has been placed thereon, the expenditures
18 therefor under each such appropriation may not exceed the
19 amount of \$50: *Provided*, That this limitation shall not apply
20 to the purchase of scientific, technical, trade, or traffic periodi-
21 cals necessary in connection with the performance of the
22 authorized functions of the agencies for which funds are
23 herein provided.

24 SEC. 104. No part of any appropriation contained in this
25 title shall be available to pay the salary of any person filling

1 a position, other than a temporary position, formerly held
2 by an employee who has left to enter the Armed Forces of
3 the United States and has satisfactorily completed his period
4 of active military or naval service and has within ninety days
5 after his release from such service or from hospitalization
6 continuing after discharge for a period of not more than one
7 year made application for restoration to his former position
8 and has been certified by the Civil Service Commission as
9 still qualified to perform the duties of his former position and
10 has not been restored thereto.

11 SEC. 105. Appropriations contained in this title, avail-
12 able for expenses of travel shall be available, when spe-
13 cifically authorized by the head of the activity or establish-
14 ment concerned, for expenses of attendance at meetings of
15 organizations concerned with the function or activity for
16 which the appropriation concerned is made: *Provided*, That
17 appropriations contained in this title shall be available for the
18 examination of estimates of appropriations and activities in
19 the field without regard to limitations on travel contained in
20 such appropriations.

21 SEC. 106. No part of any appropriations made available
22 by the provisions of this title shall be used for the purchase
23 or sale of real estate or for the purpose of establishing new
24 offices outside the District of Columbia: *Provided*, That this

1 limitation shall not apply to programs which have been
2 approved by the Congress and appropriations made therefor.

3 SEC. 107. No part of any appropriation contained in this
4 title shall be used to pay the compensation of any employee
5 engaged in personnel work in excess of the number that
6 would be provided by a ratio of one such employee to one
7 hundred and thirty-five, or a part thereof, full-time, part-time,
8 and intermittent employees of the agency concerned: *Pro-*
9 *vided*, That for purposes of this section employees shall be
10 considered as engaged in personnel work if they spend half
11 time or more in personnel administration consisting of direc-
12 tion and administration of the personnel program; employ-
13 ment, placement, and separation; job evaluation and clas-
14 sification; employee relations and services; training; wage
15 administration; and processing, recording, and reporting.

16 SEC. 108. None of the sections under the head "In-
17 dependent offices, General provisions" in this title shall apply
18 to the Housing and Home Finance Agency.

19 TITLE II—CORPORATIONS

20 The following corporations and agencies, respectively,
21 are hereby authorized to make such expenditures, within the
22 limits of funds and borrowing authority available to each such
23 corporation or agency and in accord with law, and to make
24 such contracts and commitments without regard to fiscal year

1 limitations as provided by section 104 of the Government
2 Corporation Control Act, as amended, as may be necessary
3 in carrying out the programs set forth in the Budget for the
4 fiscal year 1954 for each such corporation or agency, except
5 as hereinafter provided:

6 HOUSING AND HOME FINANCE AGENCY

7 Federal National Mortgage Association: Not to exceed
8 ~~(68)\$2,300,000~~ \$4,200,000 shall be available for adminis-
9 trative expenses, which shall be on an accrual basis, and shall
10 be exclusive of interest paid, depreciation, properly capitalized
11 expenditures, fees for servicing mortgages, expenses (includ-
12 ing services performed on a force account, contract, or fee
13 basis, but not including other personal services) in connec-
14 tion with the acquisition, protection, operation, maintenance,
15 improvement, or disposition of real or personal property be-
16 longing to said Association or in which it has an interest, cost
17 of salaries, wages, travel, and other expenses of persons
18 employed outside of the continental United States, expenses
19 of services performed on a contract or fee basis in connection
20 with the performance of legal services, and all administrative
21 expenses reimbursable from other Government agencies; and
22 said Association may utilize and may make payment for
23 services and facilities of the Federal Reserve banks and other
24 agencies of the Government: *Provided*, That the distribution
25 of administrative expenses to the accounts of the Association

1 shall be made in accordance with generally recognized
2 accounting principles and practices: *Provided further*, That
3 not to exceed ~~(69)\$95,750~~ \$120,600 shall be available for
4 expenses of travel: *Provided further*, That administrative
5 expenses not under limitation for the purposes set forth in
6 the budget schedules for the fiscal year 1954 shall not
7 exceed \$151,000.

8 Office of the Administrator (housing loan programs) :
9 Not to exceed ~~(70)\$411,250~~ \$640,000 shall be available for
10 all administrative expenses, which shall be on an ac-
11 crual basis, of carrying out the functions of the Office
12 of the Administrator under the program of housing
13 loans to educational institutions (title IV of the Hous-
14 ing Act of 1950, 12 U. S. C. 1749-1749d), the
15 prefabricated housing program (sections 102, 102a, 102b,
16 and 102c of the Housing Act of 1948, as amended,
17 12 U. S. C. 1701g-1701g-3), and the Alaska housing pro-
18 gram (sections 3, 4, and 5 of the Alaska Housing Act, as
19 amended, 48 U. S. C. 484, 484a, and 484b), but this
20 amount shall be exclusive of costs of services performed on
21 a contract or fee basis in connection with termination of
22 contracts and legal services on a contract or fee basis and
23 of payment for services and facilities of the Federal Reserve
24 banks or any member thereof, the Federal home-loan banks,
25 and any insured bank within the meaning of the Act creating

1 the Federal Deposit Insurance Corporation (Act of August
2 23, 1935, as amended, 12 U. S. C. 264) which has been
3 designated by the Secretary of the Treasury as a depository
4 of public money of the United States: *Provided*, That not
5 to exceed (71)\$26,330 \$27,600 shall be available for ex-
6 penses of travel.

7 Home Loan Bank Board: Not to exceed a total of
8 \$775,000 shall be available for administrative expenses of
9 the Home Loan Bank Board, and shall be derived from
10 funds available to the Home Loan Bank Board, includ-
11 ing those in the Home Loan Bank Board revolving fund
12 and receipts of the Federal Home Loan Bank Administra-
13 tion, the Federal Home Loan Bank Board, or the
14 Home Loan Bank Board for the current fiscal year
15 and prior fiscal years, and the Board may utilize and
16 may make payment for services and facilities of the Federal
17 home-loan banks, the Federal Reserve banks, the Federal
18 Savings and Loan Insurance Corporation, and other agencies
19 of the Government: *Provided*, That all necessary expenses
20 in connection with the conservatorship of institutions insured
21 by the Federal Savings and Loan Insurance Corporation and
22 all necessary expenses (including services performed on a
23 contract or fee basis, but not including other personal serv-
24 ices) in connection with the handling, including the pur-
25 chase, sale, and exchange, of securities on behalf of Federal

1 home-loan banks, and the sale, issuance, and retirement of,
2 or payment of interest on, debentures or bonds, under the
3 Federal Home Loan Bank Act, as amended, shall be con-
4 sidered as nonadministrative expenses for the purposes here-
5 of(72): *Provided further*, That not to exceed \$20,000
6 shall be available for expenses of travel: *Provided further*,
7 That notwithstanding any other provisions of this Act,
8 except for the limitation in amount hereinbefore speci-
9 fied, the administrative expenses and other obligations of the
10 Board shall be incurred, allowed, and paid in accordance
11 with the provisions of the Federal Home Loan Bank Act
12 of July 22, 1932, as amended (12 U. S. C. 1421-1449) :
13 *Provided further*, That the nonadministrative expenses for
14 the examination of Federal and State chartered institutions
15 shall not exceed \$2,085,000.

16 Federal Savings and Loan Insurance Corporation: Not
17 to exceed \$455,000 shall be available for adminis-
18 trative expenses, which shall be on an accrual basis and
19 shall be exclusive of interest paid, depreciation, properly
20 capitalized expenditures, expenses in connection with liqui-
21 dation of insured institutions, liquidation or handling of assets
22 of or derived from insured institutions, payment of insurance,
23 and action for or toward the avoidance, termination, or
24 minimizing of losses in the case of insured institutions,
25 legal fees and expenses, and payments for administrative

1 expenses of the Home Loan Bank Board determined by said
 2 Board to be properly allocable to said Corporation, and said
 3 Corporation may utilize and may make payment for services
 4 and facilities of the Federal home-loan banks, the Federal
 5 Reserve banks, the Home Loan Bank Board, and other agencies
 6 of the Government: *Provided*, That not to exceed ~~(73)~~\$4,
 7 ~~370~~\$6,500 shall be available for expenses of travel: *Provided*
 8 *further*, That notwithstanding any other provisions of this
 9 Act, except for the limitation in amount hereinbefore speci-
 10 fied, the administrative expenses and other obligations of
 11 said Corporation shall be incurred, allowed and paid in
 12 accordance with title IV of the Act of June 27, 1934, as
 13 amended (12 U. S. C. 1724-1730).

14 Expenses, liquidation of Home Owners' Loan Corpo-
 15 ration: Not to exceed \$10,000 of the unobligated balance
 16 remaining of funds made available under this head in the
 17 Independent Offices Appropriation Act, 1952, is hereby
 18 continued available until October 31, 1953.

19 Federal Housing Administration: In addition to the
 20 amounts available by or pursuant to law (which shall be
 21 transferred to this authorization) for the administrative ex-
 22 penses of the Federal Housing Administration in carrying
 23 out duties imposed by or pursuant to law, not to exceed
 24 ~~(74)~~\$5,045,590\$5,600,000 of the various funds of the Federal
 25 Housing Administration shall be available for expenditure, in

1 accordance with the National Housing Act, as amended
 2 (12 U. S. C. 1701) : *Provided*, That, except as herein
 3 otherwise provided, all expenses and obligations of
 4 said Administration shall be incurred, allowed, and paid in
 5 accordance with the provisions of said Act: *Provided fur-*
 6 *ther*, That not to exceed ~~(75)\$131,000~~ \$184,500 shall be avail-
 7 able for expenses of travel: *Provided further*, That funds
 8 available for expenditure shall be available for contract actu-
 9 arial services (not to exceed \$1,500) ; and purchase of pe-
 10 riodicals and newspapers (not to exceed ~~(76)\$500~~ \$1,500) :
 11 *Provided further*, That expenditures for nonadministrative ex-
 12 penses classified by section 2 of Public Law 387, approved
 13 October 25, 1949, shall not exceed ~~(77)\$27,500,000~~ \$26,500,-
 14 000 ~~(78):~~ *Provided further*, That the position of Assistant
 15 Commissioner, established pursuant to section 213 (f) of the
 16 National Housing Act, as amended, is no longer authorized.

17 Public Housing Administration: Of the amounts availa-
 18 ble by or pursuant to law for the administrative expenses of
 19 the Public Housing Administration in carrying out duties
 20 imposed by or pursuant to law including funds appropriated
 21 by title I of this Act and funds appropriated under the head
 22 "Defense Housing" not to exceed ~~(79)\$8,973,000~~
 23 \$13,025,000 shall be available for such expenses, in-
 24 cluding not to exceed ~~(80)\$685,300~~ \$916,000 for expenses
 25 of travel; and expenses of attendance at meetings of

1 organizations concerned with the work of the Admin-
2 istration: *Provided*, That necessary expenses of provid-
3 ing representatives of the Administration at the sites of
4 non-Federal projects in connection with the construc-
5 tion of such non-Federal projects by public housing agen-
6 cies with the aid of the Administration, shall be compensated
7 by such agencies by the payment of fixed fees which in the
8 aggregate in relation to the development costs of such projects
9 will cover the costs of rendering such services, and expendi-
10 tures by the Administration for such purpose shall be consid-
11 ered nonadministrative expenses, and funds received from
12 such payments may be used only for the payment of necessary
13 expenses of providing representatives of the Administration
14 at the sites of non-Federal projects: *Provided further*,
15 That all expenses of the Public Housing Administration
16 not specifically limited in this Act, in carrying out its
17 duties imposed by or pursuant to law, shall not exceed
18 \$35,962,600: *Provided further*, That not to exceed \$15,000
19 of funds made available by the Act of June 29, 1936 (49
20 Stat. 2035) shall be available for necessary expenses, includ-
21 ing administrative expenses, of the Public Housing Admin-
22 istration in carrying out the provisions of the Act of May
23 19, 1949 (Public Law 65) (81): ~~*Provided further*, That dur-~~
24 ~~ing the fiscal year 1954 the Commissioner shall make every~~

1 effort to refund all local bonds held by the Public Housing
2 Administration under the United States Housing Act of 1937,
3 as amended.

4 CORPORATIONS—GENERAL PROVISIONS

5 SEC. 202. No part of the funds of, or available for expen-
6 diture by, any corporation or agency included in this title
7 shall be used to pay the compensation of any employee
8 engaged in personnel work in excess of the number that
9 would be provided by a ratio of one such employee to one
10 hundred and thirty-five, or a part thereof, full-time, part-
11 time, and intermittent employees of the agency concerned:
12 *Provided*, That for purposes of this section employees shall
13 be considered as engaged in personnel work if they spend
14 half-time or more in personnel administration consisting of
15 direction and administration of the personnel program;
16 employment, placement, and separation; job evaluation and
17 classification; employee relations and services; training; com-
18 mittees of expert examiners and boards of civil-service
19 examiners; wage administration; and processing, recording,
20 and reporting.

21 TITLE III—GENERAL PROVISIONS

22 SEC. 301. No part of any appropriation contained in
23 this Act, or of the funds available for expenditure by any
24 corporation included in this Act, shall be used to pay the

1 salary or wages of any person who engages in a strike
2 against the Government of the United States or who is a
3 member of an organization of Government employees that
4 asserts the right to strike against the Government of the
5 United States, or who advocates, or is a member of an
6 organization that advocates, the overthrow of the Govern-
7 ment of the United States by force or violence: *Provided*,
8 That for the purposes hereof an affidavit shall be considered
9 prima facie evidence that the person making the affidavit
10 has not contrary to the provisions of this section engaged in
11 a strike against the Government of the United States, is
12 not a member of an organization of Government employees
13 that asserts the right to strike against the Government of the
14 United States, or that such person does not advocate, and is
15 not a member of an organization that advocates, the over-
16 throw of the Government of the United States by force or
17 violence: *Provided further*, That any person who engages
18 in a strike against the Government of the United States
19 or who is a member of an organization of Government
20 employees that asserts the right to strike against the Govern-
21 ment of the United States, or who advocates, or who is a
22 member of an organization that advocates, the overthrow
23 of the Government of the United States by force or violence

1 and accepts employment the salary or wages for which are
2 paid from any appropriation or fund contained in this Act
3 shall be guilty of a felony and, upon conviction, shall be
4 fined not more than \$1,000 or imprisoned for not more than
5 one year, or both: *Provided further*, That the above penalty
6 clause shall be in addition to, and not in substitution for, any
7 other provisions of existing law.

8 SEC. 302. No part of any appropriation contained in
9 this Act, or of the funds available for expenditure by any
10 corporation or agency included in this Act, shall be used for
11 publicity or propaganda purposes designed to support or
12 defeat legislation pending before the Congress.

13 SEC. 303. (a) No part of the money appropriated by
14 this Act to any department, agency, or corporation or made
15 available for expenditure by any department, agency, or
16 corporation which is in excess of 75 per centum of the
17 amount required to pay the compensation of all persons
18 the budget estimates for personal services heretofore sub-
19 mitted to the Congress for the fiscal year 1954 contemplated
20 would be employed by such department, agency, or
21 corporation during such fiscal year in the performance of—

22 (1) functions performed by a person designated as
23 an information specialist, information and editorial

1 specialist, publications and information coordinator, press
2 relations officer or counsel, photographer, radio expert,
3 television expert, motion picture expert, or publicity ex-
4 pert, or designated by any similar title, or

5 (2) functions performed by persons who assist
6 persons performing the functions described in (1) in
7 drafting, preparing, editing, typing, duplicating, or dis-
8 seminating public information publications or releases,
9 radio or television scripts, magazine articles, photographs,
10 motion pictures, and similar material,

11 shall be available to pay the compensation of persons per-
12 forming the functions described in (1) or (2).

13 (b) This section shall not apply: To persons employed
14 by the General Services Administration in the performance
15 of functions or related assisting or supporting functions in
16 connection with the publication of the Federal Register, or
17 to persons engaged in functions of the Civil Service Com-
18 mission related to (1) the preparation and issuance of ma-
19 terials relating to the recruitment of personnel for the Federal
20 service, and (2) the compilation of the Official Register of
21 the United States, or to any department, agency, or corpora-
22 tion which does not employ more than two persons at any

1 one time in the performance of functions described in para-
2 graphs (1) or (2) of subsection (a) of this section.

3 SEC. 304. This Act may be cited as the “First Inde-
4 pendent Offices Appropriation Act, 1954”.

Passed the House of Representatives April 22, 1953.

Attest:

LYLE O. SNADER,

Clerk.

Passed the Senate with amendments May 20 (legislative
day, May 15), 1953.

Attest:

J. MARK TRICE,

Secretary.

AN ACT

Making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1954, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

MAY 20, 1953

Ordered to be printed with the amendments of the
Senate numbered

mittee on Foreign Relations, providing for an equitable allocation of the cost of the common works as between navigation and power.

Mr. Chairman, I am not alone in expressing the viewpoints I have expressed in my presentation today. Many organizations and individuals representing a virtual cross-section of my State have written to me or addressed to the Senate Foreign Relations Committee directly, urging approval of Senate Joint Resolution 45 and strongly advocating the inclusion of power safeguards in whatever legislation is reported out by this committee. These organizations include labor unions, rural groups, and individual public officials of New York State. I have selected a number of these statements from individuals and organizations and shall ask that they be included in the Record at the end of my remarks. The organizations and individuals whose statements I offer for the record are as follows: International Ladies' Garment Workers' Union; Amalgamated Clothing Workers of America; Senator Francis J. Mahoney, minority leader, New York State Senate; Assemblyman Eugene F. Bannigan, minority leader, New York State Assembly; Robert F. Wagner, Jr., president, Borough of Manhattan; Mr. Richard H. Balch, chairman, Democratic State Committee of New York; Mr. Rudolph Halley, president, New York City Council; Women's Trade Union League.

GRANTING OF STATUS OF PERMANENT RESIDENCE TO CERTAIN ALIENS

The PRESIDING OFFICER (Mr. WELKER in the chair) laid before the Senate a message from the House of Representatives, disagreeing to the amendments of the Senate to the concurrent resolution (H. Con. Res. 29) favoring the granting of the status of permanent residence to certain aliens, and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. WATKINS. Mr. President, I move that the Senate insist upon its amendments, agree to the request of the House for a conference, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. WATKINS, Mr. LANGER, and Mr. EASTLAND managers on the part of the Senate at the conference.

EXECUTIVE SESSION

Mr. KNOWLAND. Mr. President, I propose to move that the Senate proceed to consider executive business, to take up the new reports and new nominations on the Executive Calendar. I have discussed this procedure with the minority leader, and it is agreeable to him. Among the new reports on the Executive Calendar there is only one nomination—that of a United States Marshal—which the minority leader has asked, on behalf of an absent Senator, to have passed over. So far as the minority leader knows, no request has been made to have the other nominations among the new reports passed over.

So, Mr. President, if all routine matters for submission for the RECORD have been presented, and after consultation with the Senator from Massachusetts [Mr. SALTONSTALL], who is handling the inde-

pendent offices appropriations bill, I now move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE REPORTS OF A COMMITTEE

The following favorable reports of nominations were submitted:

By Mr. TOBEY, from the Committee on Interstate and Foreign Commerce:

Jewel Olney Strickland, and sundry other offices of the United States merchant marine for appointment in the United States Coast Guard;

Gordon P. McGowan, and sundry other persons, for appointment in the United States Coast Guard; and

Paul Tregenza Anderson, and sundry other cadets to be ensigns in the United States Coast Guard.

The PRESIDENT pro tempore. If there are no further reports of committees, the clerk will proceed to state the nominations on the calendar, beginning with the new reports.

RESERVE COMMISSIONED OFFICERS OF THE ARMY

The legislative clerk proceeded to read sundry nominations of Reserve commissioned officers of the Army.

The PRESIDENT pro tempore. Without objection, these nominations, beginning with the new reports, are confirmed en bloc.

COLLECTOR OF CUSTOMS

The legislative clerk read the nomination of Albina R. Cermak, of Ohio, to be collector of customs for customs collection district No. 41, with headquarters at Cleveland, Ohio.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

UNITED STATES ATTORNEYS

The legislative clerk read the nomination of Joseph Holmes Lesh, to be United States attorney for the northern district of Indiana.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of Frederick W. Kaess, to be United States attorney for the eastern district of Michigan.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of Francis Everett Van Alstine to be United States attorney for the northern district of Iowa.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of Roy L. Stephenson, to be United States attorney for the southern district of Iowa.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

UNITED STATES MARSHALS

The legislative clerk read the nomination of Howard Call, to be United States marshal for the district of Utah.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of Saul Hale Clark to be United States marshal for the district of Idaho.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of William B. Somers to be United States marshal for the middle district of North Carolina.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of Clement W. Crahan to be United States marshal for the northern district of Iowa.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of Darrell O. Holmes to be United States marshal for the southern district of Iowa.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of William E. Smith to be United States marshal for the eastern district of New York.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of Albert W. Saegert to be United States marshal for the western district of Texas.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of Darrel O. Holmes to be United States marshal for the eastern district of Washington.

Mr. KNOWLAND. Mr. President, I ask that this nomination go over, at the request of the minority leader, who was acting on behalf of an absent Senator.

The PRESIDENT pro tempore. The nomination will be passed over.

The legislative clerk read the nomination of William Budd Parsons, to be United States marshal for the western district of Washington.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of Noah W. Riley, to be United States marshal for the district of Wyoming.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

Mr. KNOWLAND. Mr. President, I ask unanimous consent that the President be immediately notified of all nominations confirmed today.

The PRESIDENT pro tempore. Without objection, the President will be notified forthwith.

LEGISLATIVE SESSION

Mr. KNOWLAND. Mr. President, I move that the Senate return to the consideration of legislative business.

The motion was agreed to, and the Senate resumed the consideration of legislative business.

FIRST INDEPENDENT OFFICES APPROPRIATIONS, 1954

The PRESIDENT pro tempore. The Chair lays before the Senate the unfinished business.

The Senate resumed the consideration of the bill (H. R. 4663) making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1954, and for other purposes.

Mr. LEHMAN. Mr. President, I ask unanimous consent to have printed in the RECORD an editorial which will appear in the May issue of the American Journal of Public Health on the subject of slums and the need for a reasonable public housing program.

In view of the fact that the Senate today will debate and probably vote upon H. R. 4663, a bill which contains appropriations for the public housing program, I feel that this editorial is especially pertinent. It points out that there are costs other than monetary expenses which result from slum areas. In fact, after reading this editorial I am inclined to ask, not whether we can afford public housing, but whether we can afford to be without a good housing program.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

THE SHAME OF THE SLUMS

"Domestic garbage and filth of every kind is thrown into the streets, covering their surfaces, filling the gutters, obstructing the sewer culverts, and sending forth perennial emanations which must generate pestiferous diseases. In winter the filth and garbage, etc., accumulate in the streets to the depth sometimes of 2 or 3 feet." "The streets are generally in a filthy and unwholesome condition; especially in front of the tenant houses, from which garbage and slops are, to a great extent, thrown into the streets where they putrefy, rendering the air offensive to the smell and deleterious to health. The refuse of the bedrooms of those sick with typhoid and scarlet fevers and smallpox is frequently thrown into the streets, there to contaminate the air, and, no doubt, aid in the spread of those pestilential diseases." "The privies form one of the chief features of insalubrity. Nearly all of them are too small in size and too few in number, and are without ventilation or seatcovers. About 12 were found full to the floor timbers or within 1 foot of them. In some cases the doors were found to be locked securely, and on procuring the key and inspecting the privy, such masses of human excrements were found on the seats and floors as would justify the locking of the doors to protect unwary persons from injury." "At high tide the water often wells up through the floors, submerging them to a considerable depth" (this condition refers to cellar dwellings). "In very many cases the vaults of privies are situated on the same or higher level, and their contents frequently

ooze through the walls into the occupied apartments beside them."¹

This was the city of New York; but the conditions described were observed in 1865; and we have assumed that during the past century the grosser forms of insanitation have been eliminated.

"I stepped into one of the dimly-lit, narrow hallways off Madison Avenue and knocked at the door. * * * At first glance, the place looked like a jumbled storeroom for second-hand beds. Squeezed into a 15- by 18-foot area were a three-quarter bed for the father and mother, with a bath curtain to close it from view; a crib for the 7-year-old; a wooden double-decker where 2 small girls share the lower section, leaving a teen-age sister the upper; a roll-away for a boy 18; a bathtub; and a toilet set up in a small clothes closet. Mrs. Cruz cooks on a tiny gas ring. At mealtime, 3 of the family draw up to a small table—they have only 3 chairs—while the other 4 sit on the beds, plates on laps, or eat standing up. Dishes dry on a board laid across the end of the bathtub. And this is typical."² "In one cellar dwelling the air was stifling, the odor of urine and unburned gas, with a distant sooty smell superimposed, permeated the rooms. The first room was called a living room; actually both of the two rooms in this so-called apartment were bedrooms. Couches and beds of many description were placed in every available bit of floor space. One room measured 9 by 13 feet; the other 9 by 10 feet. The cold cement flooring was cracked and broken, and encrusted with black soot and filth. The crudely plastered walls and ceilings were also cracked; the ancient paint was peeling and blistering throughout and was covered with soot. The gas range, crowded into a corner of the smaller room, was burning continuously to provide heat, as the only other fixture was a steam riser running along the ceiling which was totally inadequate. The windows were sealed tightly to keep out the cold, thereby eliminating any ventilation to the outside air. In the dim light of several electric bulbs, hooked by means of crude wiring, the expressionless faces of six children moved with us as we picked our way through the crowded rooms. They were dirty-little children, definitely not robust, and the only noise was a constant series of deep coughs emitted by each one. In the passageway just outside the door we had to use flashlights to avoid stumbling over refuse littered everywhere on the cellar floor. In addition there were pools of water from leaking soil lines, the stench of sewage was nauseating. Near the furnace we discovered human feces on the cellar floor. In one particularly dank, dark, wet corner was a toilet bowl and slop sink. There was no sign of a bathtub anywhere. To get back to the door of the cellar we had to walk on boards to prevent soaking our feet in sewage."

These conditions were also observed in New York City; but in the year 1952. In a recent inspection drive in the Borough of Manhattan, about 1 in 8 was a cellar dwelling. There are today worse slums in certain of the Puerto Rican areas of Harlem than can be found in any city of northwestern Europe—conditions far worse than those from which our Puerto Rican immigrants have come; for the slums of San Juan have at least sunlight and fresh air. Harlem presents New York's most serious problem, but a recent grand jury study in Brooklyn

has revealed conditions almost as grave in that borough; and it is doubtful if any city of considerable size in the United States does not offer comparable situations. Here is one instance reported in New Haven, Conn., perhaps one of our best housed New England cities. A doctor was called to an emergency delivery in a tenement during a winter month; he found a woman living without any source of heat or light except a candle and no source of water within the apartment. He succeeded in delivering the baby and tried to dispose of the cord in the dark toilet in the hall only to find that the flush had been out of order for 6 months.

What should be done about such conditions as these which disgrace the cities of the most prosperous country in the world?

The first obvious answer is to enforce our housing laws; remodel or vacate such substandard dwellings as those which have been described; and both in Brooklyn and Manhattan active movements are now in progress for the condemnation of unsafe and unsanitary dwellings and for rehabilitation based on comprehensive block-by-block inspections. It would be a great mistake, however, if the city were lulled with the hope that such procedures alone will solve the problem. If the city were to purchase 100,000 quonset huts and were to set them up in Central Park, it would be possible to clean up the most menacing slum and to move evicted families into temporary quarters; but this is perhaps too radical a procedure to hope for.

The slum dweller is the real problem, not the slum. The basic inescapable fact is that a substantial part of our urban population cannot pay for decent housing. In an Atlantic seaboard city like New York, private capital cannot possibly build and maintain decent housing for rent at less than \$30 per room per month. No family of a size requiring a 3-room apartment can afford to pay such a rent on a family income of less than \$5,000 a year. It is true that gouging landlords are, in some instances, obtaining huge incomes from subdivided tenements and cellar dwellings. To expect, however, the private landlord to be able to meet the housing needs of the \$2,000-income families with children is a fantastic dream. The submerged one-tenth of the population of New York and of other large cities, who have incomes of \$2,000 or less, can pay only \$30 per month for the whole dwelling unit.

It was for this very reason that our federally subsidized low-rent housing program was initiated; it can provide a most economical type of basically decent housing and provide it to the needy tenant for a price of \$30 per month for an average household. The far more extensive development of this program is an essential precedent to the elimination of the slum dwelling; yet the entire basis of our low-rent housing program is now under attack. Last year only 35,000 units were authorized by Congress; and the House of Representatives desired to place the limit at 5,000 units for the entire United States. Such a figure does not do justice to the common sense of the American people.

The American Public Health Association is in full sympathy with the enforcement of basic legal standards for healthful housing. It has prepared a model for housing ordinances, which is now being considered for adoption by several cities. We hope that public-health workers all over the country will bear in mind that provision of decent low-rent housing must parallel legal condemnation of dangerous and insanitary housing and will use their full influence to see that the 83d Congress takes adequate steps to continue the public-housing program. In this way—and only in this way—

¹ Report of the Council of Hygiene and Public Health of the Citizens Association of New York upon the Sanitary Condition of the city. New York, 1865.

² Clarke, Blake. The Puerto Rican Problem in New York. Reader's Digest, February 1953, pp. 61-65.

can the dark shadow of the slum be eliminated from the American scene:

The **PRESIDENT pro tempore**. The question is on agreeing to the amendment of the Senator from Colorado [Mr. JOHNSON], which the clerk will state.

The **CHIEF CLERK**. On page 10, line 17, it is proposed to strike out "\$7,100,000" and insert in lieu thereof "\$7,718,440."

Mr. **SALTONSTALL**. Mr. President, the pending question is on agreeing to the amendment relative to appropriations for the Federal Communications Commission. The bill provides for \$7,100,000 for the Federal Communications Commission; and to that item the Senator from Colorado [Mr. JOHNSON] has offered an amendment to increase the amount of the appropriation from \$7,100,000 to \$7,718,440.

I have talked with the Senator from Colorado, and it is agreeable to him and it is also agreeable to the members of the committee with whom I have talked to accept an amendment in the amount of \$7,400,000.

Therefore, I ask that the amendment, as modified, be stated.

The **PRESIDENT pro tempore**. The amendment as modified will be stated.

The **LEGISLATIVE CLERK**. On page 10, in line 17, it is proposed to strike out "\$7,100,000" and insert in lieu thereof "\$7,400,000."

Mr. **SALTONSTALL**. It will be recalled that there was a difference of opinion regarding the facts as given to the Appropriations Committee and as given to the Committee on Interstate and Foreign Commerce. I have discussed the matter with the Chairman of the Federal Communication Commission, and I have received from him a letter which may be summarized by stating that at the present time the Commission has on file 600 applications for television stations, and during the next year the Commission expects to receive approximately 250 more applications, which would mean a total of 850 applications.

Under the present law, 10 teams are working on the television applications. The committee voted to increase the 10 teams to 17 teams. A team will take care of approximately 15 applications in the course of a year. If there are 17 teams, they will take care of approximately 255 applications.

I have talked with the Senator from Colorado [Mr. JOHNSON]; and it is agreeable to him and it is agreeable to the members of the committee to increase the 17 teams to 24 teams, or an increase of 140 percent over the present arrangement; and that will take care, presumably, of almost half, if not more than half, of the applications now pending and those which will be pending during the coming fiscal year.

The committee report also contains a statement indicating that the Commission could return to Congress and request an additional appropriation, if the Commission could recruit the men required.

So, Mr. President, I hope the amendment, which I understand is agreeable

to the Senator from Colorado, will be adopted.

Mr. **MAYBANK**. Mr. President, will the Senator from Massachusetts yield to me?

Mr. **JOHNSON** of Colorado. Mr. President, will the Senator from Massachusetts yield to me?

Mr. **SALTONSTALL**. Mr. President, I yield first to the Senator from South Carolina.

Mr. **MAYBANK**. Mr. President, I am glad the Senator from Massachusetts has mentioned the report.

I should like to state, so there may be no misunderstanding about it, that so far as I am concerned, and I think the distinguished Senator from Massachusetts feels the same way—the modified amendment will enable television applications to be processed and new television stations to be installed, and the Government will be able to collect the taxes, which will thereby be made possible.

Furthermore, I wish to state that in conference we shall do our very best regarding this matter. I assure the Senator from Colorado that we shall do so.

Mr. **SALTONSTALL**. I thank the Senator from South Carolina.

Mr. **JOHNSON** of Colorado. Mr. President, will the Senator from Massachusetts yield to me?

Mr. **SALTONSTALL**. I yield.

Mr. **JOHNSON** of Colorado. The amendment is acceptable, but it is far from being agreeable. I think the total amount provided by my amendment should be appropriated. I believe it would be wise for the Senate to allow the entire amount.

However, I have such great respect for those who are serving the Nation on the Appropriations Committee and for the efforts they have to make to hold down expenses that I am not going to throw any rocks at them. They have an almost impossible job to perform. They have to resist requests they do not like to resist; nevertheless, they have to do so.

I have such great respect for the chairman of the subcommittee and for the chairman of the full Appropriations Committee and for the members of the committee that I wish to be agreeable, even though I still think a mistake is being made in not appropriating for sufficient hearing teams to permit the backlog of television applications to be disposed of on an equitable basis for every community in the United States.

Aside from that, I wish to say only that I desire to call the attention of the chairman of the subcommittee to the fact that last year I appeared before the Appropriations Committee and tried to have additional teams provided for at that time. I tried to have 20 additional teams provided for, and the committee voted to provide for 15 additional teams, and the Senate also voted for 15 additional teams.

However, in the conference the 15 additional teams were reduced to 5, with the result that the bottleneck in the Commission continues, because the hearings which are required by law have not been held.

I sincerely hope the Senate Appropriations Committee members will be able to succeed in having final provision made for the 7 additional teams, or for a total of 24. Of course, I am not asking them to give any assurance on that point, but 24 teams are the minimum we are able to accept, and a very determined effort should be made in the conference to have the additional 7 teams, or a total of 24, provided for.

Mr. President, I also wish to say that this matter does not involve a recurring appropriation. This big job must be done; the hearings must be held. However, once the hearings are held, the matter is ended; once the job is done, it will not recur year after year. Mr. Hyde testified before our committee that to drag out the hearings—those were his words—would cost more money.

Mr. **CAPEHART**. Mr. President, will the Senator yield?

Mr. **JOHNSON** of Colorado. The Senator from Massachusetts has the floor.

Mr. **SALTONSTALL**. I yield to the Senator from Indiana.

Mr. **CAPEHART**. Mr. President, I believe there should be early action on this matter because all the people of the United States are entitled to have television facilities as the able Senator from Colorado has said. More than 1,800 commercial television stations have been allocated to various communities, but it is going to cost an uncertain amount of money to process each of the licenses. Whether the work is done within 5 years, or 2 years, the cost to the Government will be the same. But let us consider the amount of tax revenue that would be lost and the opportunities for employment that would be missed if there were undue delay. Let us consider the enjoyment all Americans will receive as a result of the installation and operation of television stations.

Mr. President, we will not save the Federal Government anything by delaying the program. In fact, the result would be just the reverse. I congratulate the Senator from Colorado upon having brought this matter to the attention of the Senate.

Mr. **JOHNSON** of Colorado. Mr. President, will the Senator from Massachusetts yield me 1 minute more?

Mr. **SALTONSTALL**. I yield 1 minute to the Senator from Colorado.

Mr. **JOHNSON** of Colorado. Mr. President, when this amendment was before the Senate on Monday I stated that Mr. Hyde and five other Commissioners from the Federal Communications Commission appeared before the Interstate and Foreign Commerce Committee, at which time our committee asked them many questions. The Senator from Indiana was acting as chairman of our committee at the time, and the committee investigated this whole matter. We received much information, and we thought the position of the Commission was completely clarified.

The hearing was reported stenographically, but the notes had not been transcribed, so I may say the matter was

taken up in the Senate when I did not have the exact language of the testimony before me. Since then I have received a transcript of the committee hearings. I have gone through the testimony, and have taken excerpts from the statements by Commissioner Hyde in answer to questions propounded by various Senators as members of the committee. I ask unanimous consent to have those answers printed in the RECORD at this point in my remarks, so that the RECORD may be complete.

The PRESIDENT pro tempore. Is there objection?

There being no objection, the statements were ordered to be printed in the RECORD, as follows:

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Senator PASTORE. Could you answer that question? About how long would it take from your persons to get the issues resolved in this 650 cases? I am not being critical.

Mr. HYDE. I want to be sure I understood the question. I think it would take 3 to 4 years with our present staff, and I would be expecting that applicants would abandon their interest in it, that people would be forced into settlements which would not be desirable.

I just do not believe they will wait that long, Senator. If we may assume they would stay in the hearing process, to be heard out in regular course, which I think would be the desirable thing, it might well be 4 or 5 years.

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Mr. HYDE. I would like to mention some efforts the Commission has made to expedite the hearing itself. These procedures are designed to improve the efficiency with which we can operate with our present staff. It certainly would not permit 12 hearing officers or 17 of them to do the whole job within the year.

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Senator CAPEHART. Do you have sufficient staff at the moment to do this job?

Mr. HYDE. We do not have a sufficient staff to hear these cases as rapidly as they ought to be heard.

Senator CAPEHART. Do you have a sufficient appropriation to do that?

Mr. HYDE. For the present year we do not have. The new appropriation, as approved by the Senate Committee, would give us 7 additional hearing officers.

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Senator CAPEHART. If you had all the examiners that, let's say, three times as many as you do now have, and three times as much money, how much quicker could you expedite the granting of these?

Mr. HYDE. If we had three times the number of examiners we now have, that would be 36. I think that within a year and a half after we got those people working, have them recruited, have them oriented in their work, we could handle the backlog.

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Senator CAPEHART. Mr. Hyde, how many applications at the moment have been passed upon—I say recommended—by the examiners who are before the Commission, itself?

Mr. HYDE. There are two that I can think of at the moment. You would think with that low number you would think I could name them.

Senator CAPEHART. In other words, the Commission is within two of having finished its job, as far as the allocations of permits is concerned?

Mr. HYDE. Senator CAPEHART, you oversimplify it, if you will permit me to say so. There has been a considerable lagtime in getting it underway.

Senator CAPEHART. I am trying to be helpful, now. There are just two cases before the Commission at the moment, which means, then, the bottleneck is with the examiners?

Mr. HYDE. Yes, the bottleneck is with the hearing process, the taking of the testimony.

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Senator CAPEHART. The examiners are working on 65 cases at the moment, which are in varying stages?

Mr. HYDE. That is right.

Senator CAPEHART. And the Commission has two before it, ready to act upon?

Mr. HYDE. That is the general situation.

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Senator CAPEHART. Don't be modest. We want to know. You ought to know better than we, because you are dealing with it each and every day. What is your recommendation to speed it up now?

Mr. HYDE. I hope this committee will recognize the fact that 12 hearing officers, or 17, is the bottleneck which this bulk of hearing cases has to pass through; that the hearing process, even when it is made efficient, as it possibly can be, is still a time-consuming operation.

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Mr. HYDE. We have taken what I think are very significant actions looking toward that.

Senator CAPEHART. That lies within your province.

Mr. HYDE. Yes, sir.

Senator CAPEHART. No. 2, it could be speeded up by more examiners?

Mr. HYDE. That is right.

Senator CAPEHART. That requires more appropriations, does it not?

Mr. HYDE. Yes.

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Senator CAPEHART. Suppose you had 40 good examiners over there at the moment, examiner teams, processing them, doing an efficient job in the best interest of the people and everybody concerned, could you Commissioners handle the cases as fast as they could process them? Would you have a bottleneck within the Commission?

Mr. HYDE. I would say, yes, for this reason, because Senator JOHNSON's proposal for examiner teams included other related talent which would help us in the handling of the exceptions and the writing of opinions, and what not.

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Mr. HYDE. Senator, we are handling the uncontested applications on a 30-day basis in any city. Originally, we followed the order of priorities and have taken them up. But since we have gone through it now we are in a position to act on an application within 30 days wherever that application may come from.

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Senator SMATHERS. Do you have any idea if you've got, for example, these 40 examining terms when you get these B—I think you classify them as B-4 areas, which are the large population areas with only one channel?

Mr. HYDE. I can't give you a statement in terms of months. It would take us a little while you get these cases scheduled for hearings, the notices out, and to get the hearing officers oriented, and all; but I do believe that after the 6 or 7 months necessary to get the operation under way, they would go along fairly rapid. I think the importance of priorities would disappear.

No one is going to complain about being third, fourth, or fifth, or one-hundredth on the list if he knows he is going to get his hearing.

Mr. JOHNSON of Colorado. Mr. President, our failure to make adequate provision to process television applications will come back to haunt us. Citizens throughout the Nation to whom

television is not available are not going to take delay very good naturedly. They are going to make representations to the Congress, with a chip on the shoulder. They have been severely dealt with, and they will complain about it. I want the RECORD to be as complete as we can possibly make it.

Mr. LANGER and Mr. HOLLAND addressed the Chair.

The PRESIDENT pro tempore. Does the Senator from Massachusetts yield; and if so, to whom?

Mr. SALTONSTALL. If the Senator from Colorado has concluded, I yield first to the distinguished Senator from North Dakota.

Mr. LANGER. Mr. President, day before yesterday I requested certain information from the distinguished Senator from Colorado, who is the author of the pending amendment, particularly with respect to the number of cities which do not have television, and the number of States, if any, that do not have television. I find that all the States, with the exception of two, have television, in some form or other. The Senator has furnished me this morning with a statement showing that in the State of North Dakota 17 cities have received allocations for television, and that, up to the present time, the Federal Communications Commission has only granted licenses to 3 cities. I might add that it took us more than 4 years, with numerous hearings, to get the first permit for an installation, which has just begun operation in my State. I regret that more money was not appropriated. I would have been willing to vote for the entire amount asked by the distinguished Senator from Colorado. I do not believe we shall be saving any money by the reduction of \$200,000 or \$300,000.

Mr. SALTONSTALL. I thank the Senator. I now yield to the Senator from Florida.

Mr. HOLLAND. Mr. President, I should like to ask the distinguished Senator from Massachusetts, whom I compliment on having made the adjustment he has made, whether we are given assurance that the entire number of the new teams to be provided for by the increased appropriation, will be devoted to the hearing of applications for TV stations. The Federal Communications Commission has other fields of jurisdiction, and I should like the Senate to have definite assurance that the increased staff will be used entirely within this particular field.

Mr. SALTONSTALL. Mr. President, that certainly is the understanding of the Senator from Massachusetts.

Mr. HOLLAND. I thank the Senator. There is one further question I should like to ask. Is there any hope of further amelioration of the regulations of the Commission which would tend to make the hearings more prompt and more economical?

Mr. SALTONSTALL. I may say to the Senator from Florida that I talked to the Chairman of the Commission this morning. He states that, as the applications are received from the examining teams, there will be no delays on the part of the Commission, but they will be processed promptly by the Commission.

Mr. HOLLAND. Mr. President, will the Senator yield for one further question?

Mr. SALTONSTALL. I yield to the Senator from Florida.

Mr. HOLLAND. Mr. President, my question was not addressed so much to the expedition of the applications after they reach the Commission, but to the expedition of the hearings in the field. Most of the criticism insofar as my State is concerned has been directed at the failure to expedite the hearings in the field. The hearings have lasted for months and months. All kinds of inconsequential and irrelevant matters have been inquired into. The hearings have then adjourned, to be reconvened at Washington. The constant attendance of interested persons has been required over a period of weeks, sometimes of months, at very heavy expense. There has been very great complaint and, I think, justified criticism because of the undue length of the hearings. I wonder whether the Senator has any reassurance to give us on that point.

Mr. SALTONSTALL. Mr. President, I would say to the Senator from Florida that I have no assurance to offer on that point. It would seem to me to be a question of procedure peculiarly within the jurisdiction of the Committee on Interstate and Foreign Commerce.

Mr. CAPEHART. Mr. President, will the Senator yield?

Mr. SALTONSTALL. I yield to the distinguished Senator from Indiana.

Mr. CAPEHART. As a member of the Committee on Interstate and Foreign Commerce, and having acted as chairman on Monday, at which time the entire Commission was before the committee, I should like to say that there is no question in the minds of the members of the committee that the procedure is being streamlined by the Commission, and that the Commission is going to do everything possible to expedite the granting of licenses. The Commission is going to do many things which have not been done in the past, some at the suggestion of members of our committee, some at their own suggestion.

We expect to have another meeting with the members of the Commission possibly next week, at which time we shall hope that certain technical changes will be proposed in the existing laws, in order to expedite the hearings of the Commission. If such changes prove to be necessary, we shall introduce the technical legislation that may be required in order to get the work done. Members of the Committee on Interstate and Foreign Commerce are going to stay on the job until it is finished. The Senator may be assured of that.

Mr. HOLLAND. Mr. President, I certainly thank the Senator from Massachusetts, and also the Senators from Colorado and Indiana. I want particularly to voice my approval of the statement just made by the Senator from Indiana, to the effect that there is much more involved in this matter than the question of fairness in the rendering of service, which, in itself, if of great importance. This matter means a great

deal to business in general. It means a great deal in the way of tax revenues for the Government, and in the payrolls of tens of thousands of people. I think it is wholly unconscionable that the matter has been held up the way it has been, with the resulting bottleneck that now exists. I hope that the activities of the three distinguished Senators will do much to relieve this very bad situation.

Mr. CHAVEZ. Mr. President, will the Senator yield?

Mr. SALTONSTALL. I yield to the Senator from New Mexico.

Mr. CHAVEZ. Mr. President, when I came to the Senate floor this morning I had fully made up my mind that I was going to vote for the amendment of the Senator from Colorado. But I am most happy that he has seen fit to accept the suggestion made by the chairman of the subcommittee.

Following up what the Senator from North Dakota stated a little while ago, I should like to give a clear picture of how this matter affects my State, which is only a cross section of the manner in which it affects the entire Nation, allowing for differences in the populations of the respective States. This morning I received information from the distinguished Senator from Colorado [Mr. JOHNSON], as follows:

Television channels have been allocated to 25 cities in the State of New Mexico. Up to the present time, the FCC has granted permits to only 4 cities, leaving 21 cities to be acted upon. At the present rate, it probably will require many years before all parts of the United States are granted TV licenses. This can be done with less cost to the taxpayer while dragging it out will cost more.

So I am most happy that the Senator from Colorado, notwithstanding the fact that he would have preferred the amount set forth in his original amendment, has accepted the suggestion of the chairman of the subcommittee.

We are encouraged by the statements which have been made by the chairman of the subcommittee, the Senator from Massachusetts [Mr. SALTONSTALL], and by the Senator from Indiana [Mr. CAPEHART], and the Senator from Colorado [Mr. JOHNSON]. Television channels have been allocated to 25 cities in my State. Compared to population, I imagine that we are in the lower group. But the people who live in those 25 cities want television as much as do the people in perhaps 100 cities in some other State.

Mr. WATKINS. Mr. President, will the Senator yield?

Mr. SALTONSTALL. I yield to the distinguished Senator from Utah.

Mr. WATKINS. Mr. President, I understand that the Senator from Massachusetts is willing to accept the amendment offered by the Senator from Colorado.

Mr. SALTONSTALL. As amended.

Mr. WATKINS. I greatly appreciate that, because my State is in a situation similar to that which has been described by other Senators. There is only one city which has television service. Ten others have made application for service and cannot get action because of lack of means to make the investigations.

Mr. LANGER. Mr. President, will the Senator from Massachusetts yield for a question?

Mr. SALTONSTALL. I yield.

Mr. LANGER. Would the distinguished Senator mind telling the Senate what the objection was to allowing the full amount? If these cities are to get television service, the money will have to be spent. Why compel the people to wait, in some instances, 3 or 4 years?

Mr. SALTONSTALL. The committee originally gave the full amount of the revised estimate. That would increase the number of teams from 10 to 17, or 70 percent. The committee has now agreed to accept an amendment to increase by 140 percent the present number of teams. A problem arises when it comes to finding suitable persons for the teams and getting them into the field as quickly as possible.

The Chairman of the Federal Communications Commission this morning stated that the Commission could get along with the number the committee has suggested. In addition to that, there is in the report of the committee a suggestion that if the Commission can process more teams and get suitable persons to carry on the work, it can come before the committee and discuss the subject further. So we felt we went the whole way.

Mr. LANGER. What possible objection can there be? Why can there not be more than 24 teams, if necessary, so as to get the work done in a hurry?

Mr. SALTONSTALL. I would say to the distinguished Senator from North Dakota that after talking with the representatives of the Federal Communications Commission, I believe that if provision is made for 24 teams we will be making as much haste as is possible.

Mr. LANGER. Does the distinguished Senator know how long it will take to finish up the work in North Dakota, Utah, and New Mexico?

Mr. SALTONSTALL. Half of the applications now pending will be processed within the year.

Mr. LANGER. It will take approximately 2 years?

Mr. SALTONSTALL. It will take 2 years or less, depending on how rapidly the applications are acted upon and the new ones that come in. We hope the work will be up to date within 2 years.

The PRESIDENT pro tempore. The question is on agreeing to the amendment of the Senator from Colorado, as modified.

The amendment, as modified, was agreed to.

Mr. DIRKSEN obtained the floor.

Mr. DOUGLAS. Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. Does the Senator from Illinois yield for that purpose?

Mr. DIRKSEN. Mr. President, I have no amendment pending at the moment. I desire to discuss the housing question.

Mr. DOUGLAS. I thought my colleague was probably going to make a very important speech, with which I may disagree, but which I think Senators should have the benefit of hearing. So I

thought I would suggest the absence of a quorum in order that the Senator might deliver his speech to a larger audience.

Mr. DIRKSEN. Mr. President, I am grateful to my colleague, but my desire was merely to make the record more complete so that there may be some clarification of the situation for the House and Senate conferees. Being a person of very modest attributes, it does not make too much difference to me whether there is a large and enthusiastic audience to hear what I have to say.

I have noticed some confusion in the Senate committee with respect to the public-housing question. I examined the House hearings very carefully, and also the Senate hearings, and it does seem to me that some clarification is necessary. When the House had the subject under consideration it made a change, so that the language carried in the 1953 Appropriation Act would prohibit the Public Housing Administration from making any commitments which would bind the administration to any new units for 1954. So that the 35,000 units now carried in the Senate bill would not be permitted under the House language.

A motion was made in the Senate to strike out all the housing units, and the motion was defeated. A motion was made to reduce the number to 25,000 units. That motion likewise failed.

I had originally intended to offer an amendment in line with the position taken by the House of Representatives, but since it deleted the units and the Senate has restored them, the matter will go to conference, and I prefer that the conferees fight it out in conference. But I believe that some clarification is necessary.

First, I noticed that there was no clear distinction between the two forms of housing covered by the bill. The first one, of course, is slum clearance, on the basis of loans and grants, in cases where localities with Federal funds buy property, clear off the old construction, and then rely on private enterprise to develop them. The testimony shows that there are 91 such projects, and there are 129 more which are not in the planning stage. That is one type of housing program.

The type with which I am now dealing is the low-rent public housing. I was at the other end of the Capitol, a Member of the House of Representatives, when Congress passed the act in 1937. It provided for low-rent housing with contributions from the Federal Treasury. As of today, 190,511 units have been developed, built, and occupied under that program. But in 1949 Congress saw fit to modify the 1937 act, and in the 1949 act it authorized up to 135,000 units a year. As a matter of fact, the maximum number recommended by the President was 75,000. Last year, however, 35,000 public housing units were provided for in the 1953 Appropriation Act, and this year the President has suggested 35,000, although the House has not embraced that view.

After looking at the program, Mr. President, I want to state for the RECORD

how it works. First of all, under the enabling legislation which has been passed by various States, local housing authorities have been created which have the power of eminent domain. They operate usually through a board of directors and an executive director. As a matter of fact, there is a public housing authority in the city in which I live in Illinois. Normally, that housing authority will make what is called a program reservation. That is simply a request to set aside a given number of units for allocation to that particular authority or locality. That is followed by a preliminary loan request, and if it is granted, the money can be used for planning, for architectural fees, and for everything that goes into the general plan of the housing authority.

After that the localities usually enter into a cooperative agreement with the Federal authorities under which they waive their right to tax the property, and the city is then willing, under such an agreement, to accept payment in lieu of taxes. I suppose there are cases in which cities get back an amount equal to the taxes which are lost. More often, however, the amount is far below the estimate of taxes which would accrue.

Finally, there comes the loan made to the local housing authority. Bonds, which are instrumentalities of the Federal Government, are issued, and then, of course, the local housing authorities are entitled to contributions from the Public Housing Authority. Those contributions take the form of a percentage of the capital cost, namely, 2 percent, plus the going Federal rate of interest, which will guarantee redemption of the bonds over a period of 40 years. I do not know to what extent Senators have spelled that out, but if the subsidy program is used to its maximum, there could be taken out of the Federal Treasury an amount equal to 180 percent of the capital cost of the whole program.

How far have we gone under this program? As of April 17, 1953, the total number of units which have been completed was 290,000. That is a cumulative figure, going back to 1937. There are presently under construction 89,917 units. For the RECORD, I should say that nothing in the language of the House bill will impair or in any way slow down the operations which are now in progress for the completion of those units. Incidentally, as testified before the House committee, the unit cost is \$10,783.

It would be possible, Mr. President, to pay a maximum subsidy on what we have already constructed of \$6.6 billion, although that amount has by no means been committed in the form of subsidies. There are these 90,000 units with which we can proceed; and if the maximum subsidy were paid on them, it could amount to \$1,600,000,000. I wish to emphasize to the Senate that I do not believe that it will be paid. The likelihood is that the maximum amount will not be paid. But let no one be fooled or deceived as to whether or not this money is coming out of the Federal Treasury, because it is.

If for any reason, because of adverse conditions, there should be at some time

an impairment in the value of these properties, and it were necessary to make good on our commitments under the subsidy, it would take a larger amount than one may foresee at the present time.

Construction costs on the 90,000 units that are already committed and are now under way will be roughly \$1 billion.

Mr. LANGER. Mr. President, will the Senator yield?

Mr. DIRKSEN. I yield.

Mr. LANGER. Do the Senator's figures include Alaska and Puerto Rico?

Mr. DIRKSEN. As I understand, they include the whole program, for all purposes.

Mr. LANGER. Certainly, then, they include Puerto Rico?

Mr. DIRKSEN. Yes. However, the amount there has been rather small.

Mr. LANGER. I thank the Senator.

Mr. DIRKSEN. I think there is some argument in favor of the House position, although I do not intend to offer an amendment on the floor to embrace it. The reason why I believe the House is on sound ground is simply that there are now 70,000 units under loan and contribution contracts, and it will take several years to complete them. If Senators have any doubt about that, they may examine the testimony which was adduced by the authorities who testified before the Senate committee.

They have a problem with reference to reducing costs. There is a question of value. There is a question of arrangements with individual localities. They themselves testified that it will be several years before the 70,000 units which are now committed can be completed.

The second reason I advance for a little slowdown in this program is that there is a committee, namely, the House Committee on Government Operations, that has been studying the entire low-rent public-housing program. As a matter of fact, they had carried their research and exploration so far that on May 15 they were to have begun public hearings in Los Angeles, Calif. It would seem to me to be a very proper restraint and a reasonable step on the part of Congress simply to slow down on this matter until the testimony which will be developed by that committee, which is making a special study of the program, can become available to Congress and everyone else who may be an interested party.

There is a third reason. The testimony shows that the President has asked the Housing and Home Finance Administrator and also the Public Housing Commissioner to make a survey. Why hurry about this? With so many units still incomplete, it seems to me that proper restraint on our part would argue that we wait until the survey has been prepared and made available.

There is a fourth reason for abiding this program and assuming the position of the House, namely, that there is now on the calendar, reported by the Senate Committee on Government Operations, a bill which gives authority to a special committee to make an investigation in the whole field of intergovernmental re-

lationships. I am a member of the subcommittee that reported it. The authority is rather broad.

I know that some feeling of friction has developed in this field. Some of it centers around the nucleus of public housing. I see it in my own State. Only this week the Illinois Senate passed a bill which would require that a referendum be held by all citizens within an area of 1 square mile where any public housing was proposed. I think it is evident that that viewpoint will commend itself to many localities. Why can we not delay the 35,000 additional units until we see what the sentiment is, and what the relationship between the Federal agencies and the local authorities will be?

There is a fifth reason I would adduce. When the bonds are issued for public housing they will finally have to be sold in the public market. Mr. William McChesney Martin, Jr., Chairman of the Board of Governors of the Federal Reserve System, appeared before the Senate Committee on Banking and Currency on February 6, 1952. I was then a member of that committee, and heard his testimony. In his statement he noted the fact that \$328 million in housing bonds had been floated in the latter part of 1951, and it was expected that \$750 million would be issued and put on the market in 1952. To the committee he made what I thought was a rather significant statement. He said:

Not only do such issues absorb some of the funds that would otherwise supply a market for Government bonds or for mortgages generated by new private construction, but they afford an opportunity for wealthy individuals and corporations to reduce legally their income-tax payments in a period when it is essential that tax revenues be as large as possible.

In that connection, there came to my attention a very interesting folder issued by Smith, Barney & Co., which I take to be a bond house, with offices in New York, Philadelphia, Chicago, Albany, Allentown, Boston, and Hartford. The caption is "Housing Progress Through Modern Financing." I notice on the inside cover this recital:

New housing authority bonds of local public agencies. By act of Congress, both principal and interest are "exempt from all taxation now or hereafter imposed by the United States."

Then there is a very intriguing table under the title "What Tax Exemption Means to You." I shall not explore it, but it says:

If you are in the 40 percent tax bracket, a 2 percent tax free yield is equal to 3.33 percent on taxable income.

If you are in the 75 percent tax bracket, a 2 percent tax free yield is equal to 8 percent on taxable income.

So there was some substance to the allegation made by the Chairman of the Board of Governors of the Federal Reserve System to the Committee on Banking and Currency in February 1952.

There is another reason I would assign why I believe the House is on solid ground in this matter. I think the intent of the Housing Act is being gradually violated. The idea of the act was to provide housing for needy people. I

think it is getting to be anything but that. I have here a very interesting folder, issued by the Wilmington Housing Authority, of Wilmington, Del. I call the attention of my good friend, the Senator from Delaware [Mr. WILLIAMS], to what I am about to say. I am referring to a brochure published by the Wilmington Housing Authority, 903 Washington Street, Wilmington, Del. It has a very large, interesting question mark on the front page, with this legend:

Does your child—

Then, when the page is turned, the following appears—

live in a clean, comfortable home with indoor toilet and bath, hot and cold running water, electricity, adequate heating?

The Wilmington Housing Authority operates housing projects for families of low income who cannot find decent housing at a price they can afford to pay.

These houses (from 1 to 4 bedroom units) are equipped with a refrigerator, gas range, electricity, space heater, and hot and cold running water. Rent is based on income, size of family—

And so forth. So in Wilmington, in the great Commonwealth of Delaware, if one is a citizen of the United States, and a resident of Wilmington, if his income is small, if his present housing has no indoor plumbing—if it has a Chick Sale type of plumbing—no electricity, no gas, no hot or cold running water, or is dilapidated and unfit to live in, he and his family are eligible for a house.

The housing authorities advertise for tenants. That is rather interesting. The testimony shows that of the last 54,000 units, there are 2,500 which are not occupied. The interesting thing is that the housing officials who appeared before the committee said that that was due to mismanagement, or the fact that the units were small, or the fact that they were in a local community. However, the fact of the matter is that there are more than 2,500 new units built with Federal funds, really, that are presently unoccupied. I think it is a rather interesting thing that housing authorities advertise for tenants.

Mr. WILLIAMS. Mr. President, will the Senator yield?

Mr. DIRKSEN. As soon as I yield to my distinguished and esteemed friend from Delaware, I wish to read from a folder issued by the housing authority in Denver, Colo., the home of a great public servant and an outstanding Member of the Senate, the senior Senator from Colorado [Mr. JOHNSON].

I now yield to the Senator from Delaware.

Mr. WILLIAMS. Mr. President, I merely wished to ask the Senator from Illinois if he does not agree with me that the fact that the housing authority in Wilmington has advertised for tenants is a compliment to the people of the State of Delaware, because of their willingness to build their own homes.

Mr. DIRKSEN. The Senator is correct.

Now let us go to the great city of Denver, known as the mile-high city. It is a wonderful place. It has salubrious, invigorating air, and a fine climate.

I like to go there and fill my lungs with that good Denver air. I do not know of any climate which energizes human beings and provides them with an incentive to the extent of that of the city of Denver in the State of Colorado. I have before me a folder issued by the Denver Housing Authority. I like this line. This is an all-out invitation.

You may rent a beautiful home if your family has: 2 to 12 persons; 1 adult member who is a United States citizen; assets less than \$2,000; present occupancy in substandard housing—

And so forth. They are now advertising for tenants. The Senate committee may have its way, notwithstanding my objections. Our distinguished friend, the Senator from Massachusetts [Mr. SALTONSTALL] has been very gracious, and I compliment him. I promised him that I would not offer an amendment. However, I want to be sure that the record is abundantly clear when this measure goes to conference.

It seems to me that the procedure now being followed violates the basic intent of the law which Congress originally passed in 1937, when I was a humble Member of the House of Representatives and on the Appropriations Committee in that very distinguished body. I was led to believe that this program was for the benefit of the ill-housed group, the needy. Today difficult problems arise because the incomes of certain families who are in public-housing units are increased, and there is the problem of inducing them, persuading them, or compelling them, if necessary, to get out, because their income is above the prescribed maximum.

In view of all this, why should we not wait with the additional 35,000 units which will be committed? There is nothing in the bill to prevent the housing authorities from going ahead with the 89,000 units now under construction.

Several years will be required to complete them. Why not wait on the House Committee on Government Operations, on the special request of the President for a survey, and on the Committee on Intergovernmental Relations, which is to be established? Why should we not wait for its report before we make deeper commitments, put more bonds into a sagging market, and commit administrative costs out of the Federal Treasury for this purpose?

There are other things that could be said. I might talk about what we said in the Republican platform, but I shall not do so. I simply wish to say that I think the reasonable thing to do is to see where we are, examine the alleged abuses that have crept into the program, reexamine the original intent of Congress, survey the need, resurvey the slum-clearance program, which is also in this bill, and redefine the objectives of public housing. Forty years is a long time. If we vote the 35,000 units, we shall have committed our Government for a period of 40 years, because that is the length of the maturities involved.

Mr. President, since I have the floor—and I am frank to say that I had great difficulty in finding a little time, although I suppose the fault was mainly

mine—I wish to cover one item in the bill, and in connection therewith, to offer an amendment.

(At this point Mr. DIRKSEN yielded to Mr. SALTONSTALL for the purpose of inserting certain matter in the RECORD; also to answer a question propounded by Mr. FERGUSON. The colloquy, together with the statement inserted in the RECORD, was ordered to be placed at the conclusion of Mr. DIRKSEN's speech.)

Mr. DIRKSEN. Mr. President, I should like to address a few modest observations to the rather delicate subject of economy in Government. Then I shall offer an amendment. First, I shall read the amendment:

On page 1, after line 2, strike out the remainder of the page and insert in lieu thereof the following:

"That, for the Executive Office and sundry independent executive bureaus, boards, commissions, agencies, and offices under this title, in not to exceed the amounts set out, respectively, in each of the appropriation paragraphs therefor (except that the amount set out for the compensation of the President is appropriated in full and may not be reduced)—

This is the punchline; this is the gimmick—

there is appropriated, out of any money in the Treasury not otherwise appropriated, not to exceed 95 percent of the gross total of such several amounts for the fiscal year ending June 30, 1954, namely"—

Mr. President, that is a rather glossy way of proposing a 5-percent cut on every agency in the bill. That is what it amounts to, by merely appropriating 95 percent of the totals which are set out for each one of the appropriation paragraphs in the bill.

Mr. President, I listened to President Eisenhower last night. I listened to him in a very solemn mood, as a matter of fact. I believe the country should sympathize with the job he has inherited. It was a bitter inheritance. Over the years there have been left on the books commitments, made by the predecessor administration, which, like the proverbial chickens, are now coming home to roost upon the threshold of the Eisenhower administration and the Republican Party. President Eisenhower did not put the country in the hole. He inherited the condition. He is deserving of every support on the part of our people, on the part of the Federal agencies, and on the part of Congress. That is one reason for submitting the amendment.

Mr. President, I am not unmindful of the fact that the Budget Bureau cut the original figures before it submitted its proposed appropriations to the committee. I am not insensible to the fact that in the main the House of Representatives did a pretty good job. I salute the chairman of the subcommittee, the distinguished Senator from Massachusetts, for the good job he has done.

But, Mr. President, when we are confronted with this situation it is necessary to approach it with resolution and with a certain amount of robustness of spirit. We are in the hole, and we are in the hole plenty.

So we have a grave responsibility which more than matches that of the President of the United States, because

the constitutional power to take money from the Federal Treasury for appropriations is lodged exclusively in the Congress. I, for one, will not shirk my duty in that respect.

There is real justification for an amendment of this kind. All of us have said to the country that we would squeeze out waste, we would reduce expenditures, we would balance the budget, and we would reduce taxes.

I would be less than candid, Mr. President, as a member of a great public instrumentality, the Republican Party, if I stood on the floor of the Senate and said we have made an impressive economy record thus far. I cannot say it in good conscience. I wish the record were an infinitely more impressive and better one. Therefore, because it has not been too impressive I believe we should cut where we can.

I do not believe in cheese paring. I went through a sad and dismal experience of that kind during the 12 years I spent on the Appropriations Committee in the House of Representatives. It was a cut of \$100,000 here and a cut of \$200,000 there. I am not unmindful that a penny saved, as Franklin said, is a penny earned, but it is a long and torturous course toward a balanced budget to do it that way.

People have said to me, "Your theory is all wrong. Your idea of a meat ax or sharp knife for the necessary excisions of appropriations and expenditures is not the selective way to do it."

But, Mr. President, if we are going to do it with a scalpel, we will be here for a long, long time before we ever get within hailing distance of a balanced budget and a tax reduction, for which the people are clamoring in almost every expressive and articulate letter they are sending to the Members of the House and of the Senate.

In our platform we gave them that assurance, and I want to retrieve that pledge and I want to redeem the promise we made in good faith. It was one of the promises which crowned our arms with victory in November 1952.

I am fully sensible of the public debt. One day recently the Secretary of the Treasury stated it may be necessary to increase the debt limit. I hope fervently that it will not be necessary to do so. As of the 1st of May 1953, the public debt was \$264,589,000,000. That is not hay, even in the town of 21,000 people where I live. There now comes the suggestion that the debt limit must be increased to \$275 billion.

What will people say about it? It is not that I am afraid of my political skin. That has never bothered me in my lifetime. It does not and it will never inhibit me from saying what is in my heart and in expressing whatever condition I may have upon public problems. But I say the people of the country have a right to depend upon some of the assertions and averments we made to them.

I stood on platforms in 25 States of the Union and expressed the belief that if they would turn the old administration out of power and give those with a fresh viewpoint an opportunity, we would do infinitely better. I want to do

better. This is one way to do it. Let us take 5 percent from these agencies. It ought to be 10 percent. Let us keep that much money in the Treasury. There today is a great clamor for retrenchment.

Mr. President, there is no royal road to a balanced budget. If there is, I have never discovered it in all the time I have been dealing with the millions of little figures that come to us in what looks like an unexpurgated mail-order catalog but what we call the budget of the United States, which contains some 1,100 pages.

It will take some heroic work in every field of civil spending and military spending and in all the other kinds of spending. There dare not be a sacred cow if we are to discharge what I regard as a very deep and abiding obligation to the people of the United States.

Mr. President, it is the fiscal rock upon which nations founder. Let us consider France. One cabinet after another has fallen over a period of time. Why? Because of some particular civil policy? Always it has foundered upon the fiscal rock, the problem of getting revenues and cutting down expenditures so they could balance their budget. There is a very shaky and unstable condition in the Republic of France for that reason.

There is also the situation in Britain today. Does she face up to it? Not to the point where I think she should. So today as never before she is concerned about sterling balances and about protecting the gold reserve. Always and always fiscal problems haunt the solidarity and the stability of a country.

Mr. President, as I listened to President Eisenhower last night talk about these inheritances, he spoke very graciously and very kindly. I thought he presented the matter in a very understandable package to the American people. I suppose that if I had been doing it and if I had commanded a great audience on the radio and television networks, I probably would not have been quite so dignified, and would have talked about the mess we are in.

I have seen a good many messes in my life. My good friend, the distinguished Senator from New Jersey [Mr. HENRICKSON], whom I first met when he was one of the able representatives of this country overseas in Germany, will bear me out when I say there was something most depressing and distressing about the great piles of rubble in certain German cities resulting from the bombing by American and British planes during the dark hours of the war. Oh, how agonizing it was to view such cities as Cologne, Dusseldorf, Regensburg, Munich, and others, and to see those great cities of ancient culture, with all the architectural beauty that had been lavished upon them for so many years, suddenly pounded into rubble. Such scenes make a person shudder.

When I saw those cities for the first time, I wondered how human hands and human ingenuity could ever bring order out of that chaos, so that normal life could be resumed, so that automobiles could move in the streets, so that tele-

phone and electric lines could be restored to service. What amazing progress in that undertaking was made in a very short time, Mr. President? The day when I followed the American Army into Regensburg, where the great General Patton had his headquarters, I saw thousands of American soldiers, aided by the German people, begin to clear the streets. After a while, traffic began to move and a semblance of civilization began to appear, and the stores began to open. Someone invented a device to throw the rubble into a great crushing machine, from which the rubble came out in the form of aggregate, which was used for the construction of new buildings. So rehabilitation became an accomplished thing. The people in those cities were not worried about their future; there were no faint hearts. Difficult and repugnant though the problem was, little by little, by brain and by brawn, those people cleaned up the mess that existed there.

Today, we have a mess in our country, namely, the billions of dollars of commitments and the large deficit, both requiring us to draw heavily upon the supply of red ink, in order to total the budget of the Nation. It is a mess at this time, in the month of May 1953, long after V-E Day.

How are we to clean up the mess and how are we to return to sound and orderly channels in the interest of fiscal solvency and the stability of our country? We shall do so by accepting the President's challenge. He invited everyone in the Nation to help him. He said, "I hope you will exercise restraint and will not put demands upon your Government, unless they are absolutely necessary."

The same injunction should be addressed to the agencies of the Federal Government; and, at least by inference, the Congress also was invited to help hold up the President's hands in this difficult fiscal hour.

How are we to do it? Not by quailing, not by recoiling from the distasteful job; but we hold up the President's hands by letting the knife go in, no matter how desirable the things excised may be.

I am afraid I relented a little today, because the proposal was to make a reduction of 10 percent. However, after the appropriations for some agencies were cut 15 percent, the milk of human kindness began to assert itself, and I became a little softhearted. So I agreed to propose a 5-percent overall reduction in the appropriations, instead of a 10-percent overall reduction.

Therefore, Mr. President, in order to hold up the hands of our great Chief and to do my small bit in the interest of economy, I submit this amendment for a 5-percent reduction in appropriations, a 5-percent cut across the board, to apply to all items in the bill with the exception of the salary of the President, which under the Constitution cannot be diminished during his tenure of office.

The PRESIDING OFFICER. The amendment will be stated, for the information of the Senate.

The CHIEF CLERK. On page 1, after line 2, it is proposed to strike out the

remainder of the page, and to insert in lieu thereof the following:

That, for the executive office and sundry independent executive bureaus, boards, commissions, agencies, and offices under this title, in not to exceed the amounts set out, respectively, in each of the appropriation paragraphs therefor (except that the amount set out for the compensation of the President is appropriated in full and may not be reduced), there is appropriated, out of any money in the Treasury not otherwise appropriated, not to exceed 95 percent of the gross total of such several amounts for the fiscal year ending June 30, 1954, namely.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Illinois [Mr. DIRKSEN].

During the delivery of Mr. DIRKSEN's speech,

Mr. SALTONSTALL. Mr. President, will the Senator yield to me?

Mr. DIRKSEN. I yield.

Mr. SALTONSTALL. If the Senator from Illinois is through with his discussion of housing, I should like to ask unanimous consent to place in the RECORD a page-and-a-half statement concerning housing. This statement is the result of a question asked by the Senator from Virginia [Mr. ROBERTSON]. It concerns future moral obligations in connection with housing, and should be considered a part of the committee report on housing. If there is no objection, I should like to have it placed in the RECORD at this point.

The statement also includes a provision which is now in 54,000 of the 62,600 housing contracts. In my opinion, it should be included in every future contract. The statement deals with the responsibility of Congress and of the committees on appropriations before any moral or legal commitments are made with respect to housing.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

As of June 30, 1953, there will be approximately 62,600 housing units with approved annual contribution contracts on which construction will not have started. Fifty-four thousand of this number have included in their new or amended contracts the following provision:

"(B) The local authority shall not award any main construction contract unless (1) the development cost budget referred to in subsection (B) of section 404 has been submitted to the PHA, (2) the PHA, taking into account the level of construction costs prevailing in the locality where the project is to be located, shall have specifically approved the amount of such main construction contract, and (3) the PHA, taking into account all applicable provisions of the act, of the *Independent Offices Appropriation Act, 1953*, and of this contract, shall have authorized the award of such main construction contract." (Italic designates new requirement.)

This provision means that the parties to the contract have been put on notice that the construction contract cannot go ahead unless it is authorized in an appropriation act of the Congress. In other words, this means this: The Congress is not under an obligation to approve any more construction contracts than it desires at any given time; in fact, the whole construction is based upon present and future authorizations by the Congress in the appropriation acts. I think it would be well also for the PHA, in addition

to the above paragraph, to issue a directive to all of its people who in any way negotiate annual contribution contracts to state in all conversations and in all correspondence emphatically that this contract is approved, but it cannot go ahead for construction until it is authorized in an appropriation act of the Congress. The PHA shall take every possible step to see that there is no misunderstanding on this score.

The Housing and Home Finance Commissioner, Mr. Cole, stated that if a program was continued at 35,000 starts in 1954 and subsequent years, the carryover of approved annual contribution contracts would probably gradually fall to a level of perhaps 50,000 units to be authorized for commencement later by the Congress, but would never go down to 35,000 since it would never consist entirely of units ready to start construction in the following year.

It is clear that it might take in many cases several years to negotiate a contract, as land would have to be approved, program reservation made, loan contract authorized before the annual contribution contract could be approved. Therefore, it is clear that if you do not continue getting annual contribution contracts to the point of approval, you would simply kill the program within a period of 2 years and waste the administrative expenses involved in bringing the contracts to the annual contribution stage.

Mr. FERGUSON. Mr. President, I should like to ask the Senator from Massachusetts a question.

Mr. SALTONSTALL. Mr. President, will the Senator from Illinois yield to me in order that I may answer a question with respect to housing?

Mr. DIRKSEN. I am glad to yield if I do not lose the floor.

The PRESIDING OFFICER (Mr. WELKER in the chair). Without objection, the Senator from Illinois may yield to the Senator from Massachusetts to answer a question to be propounded by the Senator from Michigan without losing the floor.

Mr. FERGUSON. Mr. President, let me say preliminarily that I do not know what is in the statement which the Senator from Massachusetts has placed in the RECORD.

Mr. SALTONSTALL. I shall be glad to read it.

Mr. FERGUSON. Is it a statement by the committee, or by someone in the Housing Authority?

Mr. SALTONSTALL. The Subcommittee on Independent Offices included as a part of its report a paragraph concerning moral obligations with respect to future housing arrangements.

Mr. FERGUSON. I heard the question of moral obligations discussed in the committee. I wonder whether this is a contention that when there is a statutory obligation or an existing statute, over and beyond the statute there is a moral obligation.

Mr. SALTONSTALL. That is a difficult question to answer. We considered whether we could make this statement an amendment to the act. We decided, after consideration, that we could not.

This is an effort to make it clear that if the Department of Health, Education, and Welfare, Mrs. Hobby's new Department, should determine that the housing program should be abandoned, there would be no moral obligation on the part of Congress because of any agreement

which might be made in getting houses ready to go through the public-housing process. In other words, it is an effort to prevent any feeling on the part of an individual who makes an application that he has any moral or legal understanding with the Government.

Mr. FERGUSON. I think that is the proper answer to the entire question. A statutory obligation is one thing. However, if the Congress does not desire to appropriate under the statute, it has not broken any moral obligation.

Mr. SALTONSTALL. This is an effort to pin down that principle.

Mr. FERGUSON. I appreciate that, because there was some discussion of the question of moral obligation. Some people seemed to think that once we enact a statute we have a moral obligation to continue appropriations under the statute, or, if a department of the Government which studies the situation determines that a certain program is no longer necessary, that there is a moral obligation merely because an individual has filed application or followed some procedure before a common council or some other agency, to let him proceed.

Mr. SALTONSTALL. The Senator states the question much better than I could state it. That is the purpose of it.

Mr. FERGUSON. I think it is well that the statement has been incorporated in the RECORD.

The PRESIDING OFFICER. Will the Senator from Massachusetts listen to a suggestion from the occupant of the chair? Will it be agreeable to the Senator from Massachusetts for the colloquy to be printed at the end of the speech of the Senator from Illinois [Mr. DIRKSEN], so it will not interrupt the continuity of his speech?

Mr. SALTONSTALL. That is entirely satisfactory. I thought the Senator from Illinois had finished on the subject of housing. Whatever is agreeable to the Senator from Illinois is agreeable to me. This applies to housing, not to another subject.

THE FORTHCOMING ELECTIONS IN THE REPUBLIC OF THE PHILIPPINES

The PRESIDING OFFICER. Under an agreement previously made, the Chair now recognizes the senior Senator from North Dakota [Mr. LANGER].

Mr. LANGER. I thank the Chair.

Mr. President, a dispatch of several days ago from the Philippine Islands states that that nation's Liberal Party—the incumbent party—has scheduled its convention for the nomination of its presidential and vice-presidential candidates for May 24. As we all know, the election is scheduled for November of this year; and the Nacionalista Party—the opposition party—nominated its candidates some weeks ago. The Liberal candidate for President, it seems, will most likely be President Elpidio Quirino, who has declared his intention to seek renomination or Carlos P. Romulo. The Nacionalistas' nominees were Ramon Magsaysay for President and Senator Carlos Garcia for Vice President. All of these are names prominent

in Philippine political affairs and are well known to many of us here in Washington.

I call attention to the candidates in the coming election in the Philippines because of an unfortunate situation involving our own country which has arisen in this connection.

It is not my purpose here to advocate the candidacy of any man or to support either of the competing parties. Indeed, my purpose is to do just the opposite—to stress the fact that our Government must maintain a neutral position in this election. One might ask why it is necessary to affirm this policy of neutrality at this time, in view of the fact that our foreign policy, as stated repeatedly, has been one of noninterference in the internal affairs of other nations.

Mr. President, I am sure that many of my distinguished colleagues are unaware of the fact that our diplomatic representatives in the Philippines recently have been criticized vigorously and repeatedly for allegedly taking sides in this forthcoming election campaign. I do not know whether these charges are true, but I do know that they have received such wide currency as to assume an important aspect in their effect on United States-Philippine relations.

It is charged that our Ambassador in Manila and members of his staff there, as well as certain American private citizens, have advocated privately and by deed the candidacy of Ramon Magsaysay and his colleagues. As a matter of fact, the Philippine newspapers have published repeated stories terming Magsaysay a political candidate "made in America." The incumbent Philippine administration has expressed keen resentment at the alleged pro-Magsaysay actions on the part of our officials and private citizens. Regardless of whether the suspicions of the Quirino government are well founded in this connection, real friction does exist; and this is quite dangerous for our relations not only with the Philippines, but in all of the democratic Far East and, for that matter, in the entire world.

It is significant that our Government has considered the Philippines such an important factor in the Far Eastern political, economic, and military picture that we have sent them some \$2 billion in economic aid since the end of World War II. It would seem patently improper as well as unwise for us now to jeopardize our good will in that part of the world by interfering in the internal affairs of a friendly nation, especially in view of the fact that that nation has cooperated with us in our foreign policy in the United Nations, in the Korean conflict and in every other respect.

One of our most telling criticisms of the Soviet Union has been the exposure of their meddling in the internal affairs of smaller and weaker nations. We cannot afford to take this same course ourselves, nor can we afford even to appear to take such a course whether or not in fact we are doing so.

Mr. President, I am aware that our Ambassador to the Philippines has denied the charges of interference in a routine way, but I have seen no vehe-

ment denial commensurate with the vigor of the charges either from him or from the State Department. In view of the magnitude this matter has assumed in the press and in public opinion in the Philippines, it would seem that nothing short of a vehement denial, backed by concrete action, can remedy the situation.

Again, Mr. President, let me repeat that I am not charging our officials or our private citizens in the Philippines with improper action. I am merely taking cognizance of the fact that charges have been made and have not been refuted sufficiently to allay the fears of our oriental friends in the Philippines and elsewhere. These people may be oversensitive, and may be too quick to distrust the Western world whenever there is the slightest suspicion of colonial or imperialist attitudes, but this makes it even more important that we act impeccably and that we exert every effort to right any real wrongs or eradicate any false impressions.

We all know the splendid record of our country in its historic colonial administration of the Philippines, our voluntary grant of independence to that nation, and of our very real assistance to the fledgling Republic in its first years, up to now. It would be a great shame to jeopardize American prestige and good will, earned by our fine record, by permitting real or imagined misdeeds on the part of a few Americans to go unanswered or unexplained. The friendship of all the Philippine people is certainly worth the effort of proving that our democratic foreign policy is not just a tissue of words.

Mr. President, the Philippines many times has been termed the "democratic showcase of Asia." In other words, the Philippines has been an example of democracy in the American tradition in action in the Far East. The very essence of democracy is the self-determination of people.

There may be much to criticize in the Quirino administration. Indeed, no administration anywhere in the world can be free of criticism. However, Mr. President, the question at hand is: What right have we to judge or dictate or even influence—if indeed we are so doing—the policies and procedures of a sister nation which has been our friend? We are in the anomalous position, if we support an opposition candidate against the incumbent, of repudiating an administration which we have been supporting in every way, economically and militarily. In other words, if we back the candidacy of this Magsaysay, no matter what his virtues may be, a fortiori we indict our own judgment and actions in aiding the Quirino administration and its predecessors in the Philippine Liberal Party. Our policy must be that of aiding or refusing to aid the government chosen by the Philippine electorate, but not to meddle in the process of election.

This is not a question of taking sides in a struggle between a left wing ideology and a democratic ideology. No one has accused either party or any of the candidates of being even remotely communistic.

that "No person in any executive department or agency whose position is subject to the Classification Act of 1949, as amended, shall be promoted or transferred to a higher grade" except subject to the conditions stated therein.

While the circular indicates that an employee is not to be "officially promoted" to the higher grade position until he meets the service requirements of the Whitten amendment, the action authorized by the circular to all intents and purposes has the effect of promoting or transferring an employee into the higher position—except for the payment of the salary thereof—prior to the time he meets the necessary service requirements. Such action, in my opinion, is contrary to the applicable provisions of the Whitten amendment and is not authorized.

Furthermore, the assignment of an employee to occupy and perform the duties of a position classified in one grade while his salary is fixed in that of a position classified in a lower grade, appears to be contrary to the provisions of the Classification Act of 1949, 63 Stat. 954, which contemplates that employees shall receive the salary provided for the grade in which the position they occupy and perform the duties of has been classified.

Moreover, this office knows of no legal authority under the Classification Act of 1949, or otherwise, for paying an employee the salary applicable to a specified grade in which no position has been established, as in example A above, or in which the position has been vacated, as in example B. Also, the action authorized by the circular appears to constitute the indefinite assignment of an employee to the work of a higher classified grade contrary to the provision of Title 5 United States Code, Section 38.

The matter has been given careful consideration but, for the foregoing reasons, I am required to conclude that the action authorized by Circular No. 671, Supplement No. 11, is improper and illegal. Accordingly, this office will not approve payments of compensation for personnel changes hereafter made on such basis or otherwise recognize the validity of such changes.

Sincerely yours,

LINDSAY C. WARREN,

Comptroller General of the United States.

Mr. WILLIAMS. Mr. President, I also ask unanimous consent to have printed in the RECORD at this point as a part of my remarks another decision of the Comptroller General, under date of April 20, 1953, B-114017, which refers to the same subject. While this is only one specific example it does establish a precedent which must be followed by all other agencies. The Comptroller General here rules that the employees so affected must, in those cases in which they have received the advance pay, repay the money back to the Federal Government.

There being no objection, the decision was ordered to be printed in the RECORD, as follows:

COMPTROLLER GENERAL

OF THE UNITED STATES,

Washington, April 20, 1953.

The ADMINISTRATOR OF VETERANS' AFFAIRS,
Veterans' Administration.

MY DEAR MR. ADMINISTRATOR: Reference is made to your letter dated February 27, 1953, requesting consideration and decision on certain questions involving the application of section 1310 (c) of the act of November 1, 1951 (65 Stat. 758), as amended by the act of June 5, 1952 (65 Stat. 122); which

section is referred to as the Whitten amendment.

It is reported that, through a misunderstanding, action was taken by your Administration to appoint and promote an employee from a grade GS-3 position in the Department of the Army to a grade GS-7 position, \$4,205 per annum, in the Veterans' Administration but that, upon review thereof by the Civil Service Commission, it was determined that, since the promotion of four grades was prohibited under the restriction on promotions contained in the above act and the Commission's regulations issued pursuant thereto, the employee should be separated or placed in a position not higher than GS-5. In view thereof, the employee was demoted to a GS-5 position at the top of the grade, or \$4,160 per annum, effective January 18, 1953.

Your letter refers to the provision added by the amendment of June 5, 1952, to section 1310 (c) of the act of November 1, 1951, supra, which states that the Civil Service Commission may authorize promotions (without regard to number) in order to avoid undue hardship or inequity in individual cases of meritorious nature. By reason of that provision you desire answers to certain questions which depend on whether the Civil Service Commission may or may not approve a promotion to GS-7 for the employee here involved—such as the date the Commission would be authorized to make the promotion retroactive, the amount to be refunded by the employee in the event the promotion could not be retroactive, etc.

You may be advised that the portion of the questions regarding the authority of the Civil Service Commission to make the promotion retroactive under the related circumstances would appear to be a matter for submission to that agency in the first instance rather than to this office. In other words until the Civil Service Commission decides that it has authority to act favorably respecting the retroactive promotion of the employee, there properly is no question for decision by the General Accounting Office. The only matters contained in your letter which may be considered at this time relate to the proper salary rate of the employee upon being placed in grade GS-5 together with the effective date thereof, and the amount proper for refund assuming that the Civil Service Commission will refuse to take cognizance of the situation as a "hardship case" under section 1310 (c), supra. In the absence of the employee having attained a salary rate of \$4,160 or higher in some other position as defined in section 25.101 of the Commission's regulations, there would be no authority for using the salary rate paid to the employee in the GS-7 position—a position to which he was not legally entitled—in fixing his salary rate in grade GS-5 above the minimum of that grade. With respect to the effective date of the appointment to GS-5 it may be stated that this office would not object to making such appointment or demotion effective as of the date the employee otherwise is determined to have become eligible for promotion from GS-3 to GS-5 under the Commission's regulations (sec. 8.109). The basis for that view is that it may be assumed that the employee would have been appointed to GS-5 on the date of transfer to your Administration or as soon thereafter as he became eligible for a two-grade advance. The difference between the amounts actually paid to the employee in GS-7 as well as GS-5, and the proper salary rate of GS-5 from the effective date thereof, as fixed and determined in accordance with the foregoing is required to be refunded.

Sincerely yours,

LINDSAY C. WARREN,

Comptroller General of the United States.

FIRST INDEPENDENT OFFICES APPROPRIATIONS, 1954

The Senate resumed the consideration of the bill (H. R. 4663) making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1954, and for other purposes.

Mr. SALTONSTALL obtained the floor.

Mr. HENDRICKSON. Mr. President, will the Senator yield?

Mr. SALTONSTALL. For what purpose?

Mr. HENDRICKSON. I was about to ask the Senator to yield in order that I might suggest the absence of a quorum.

Mr. SALTONSTALL. I hope the Senator will not do so now.

Mr. HENDRICKSON. I withhold my suggestion.

Mr. SALTONSTALL. Mr. President, the question before the Senate is the amendment of the Senator from Illinois [Mr. DIRKSEN] providing for a 5 percent overall cut, except for the President's salary, in the pending independent offices appropriation bill.

I respectfully call attention to the fact that the bill now under consideration represents a reduction of \$715 million in round figures, under the estimates for 1954, as contained in the so-called Truman budget, and \$536 million under the appropriations for 1953.

The revised budget, the so-called Eisenhower budget, provided for appropriations of \$888 million.

As I stated in my opening remarks on Friday, May 15, this bill represents a cut in the appropriations for the active agencies covered by the bill, aside from items for contracts and retirement funds of approximately 17 percent below the estimates.

Of the \$457 million appropriated by the bill, \$200 million is provided for contract payments, or definite obligations, for the following: annuity payments under civil service, rents and utilities, renegotiation refunds, slum clearance grants; annual contributions on housing units previously constructed; and contract liquidations. In other words, approximately \$200 million is for obligations of the Government. Another \$40 million in the bill is for regulatory bodies, most of which have already been drastically cut, including the Federal Communications Commission, the Federal Power Commission, the Federal Trade Commission, the Interstate Commerce Commission, the Securities and Exchange Commission, the Renegotiation Board, the Tariff Commission, and the Tax Court. So I believe that a 5-percent cut on those figures is illogical, and I hope it will not prevail.

I should like to make one further remark to my colleague from Illinois [Mr. DIRKSEN], with whom it is always pleasant to debate because he constantly wears a smile. We have a different situation this year from that which existed last year and the year before. Last year and the year before, when I served

on the Appropriations Committee with my friend from South Carolina [Mr. MAYBANK] and other Senators, the administration then in power did not help us to cut. It did not show us where to cut. This year we have an administration which has already made substantial cuts. The House and the Senate committee have cut underneath the reductions suggested by it. So I hope there will not be a further 5 percent reduction.

Mr. MAYBANK. Mr. President, will the Senator yield?

Mr. SALTONSTALL. I yield.

Mr. MAYBANK. I want the RECORD to show that the committee cut below the administration figures, below the so-called Dodge budget. How much did the cut amount to? I have been asked that question. I think the Senate Appropriations Committee and the House Appropriations Committee deserve commendation.

Mr. SALTONSTALL. In answer to the Senator from South Carolina I will say that the revised budget, the so-called Dodge budget, was \$888,000,000; and the bill provides \$457,000,000, almost a 50 percent reduction.

Mr. MAYBANK. We have reduced the appropriations requested by the President and the Dodge budget, both in the subcommittee and in the full Committee on Appropriations, have we not?

Mr. SALTONSTALL. The Senator is correct.

Mr. MAYBANK. By how much, in dollars and cents?

Mr. SALTONSTALL. In round figures, \$431,000,000 is cut from the so-called Eisenhower budget, and \$750,000,000 from the Truman budget.

Mr. MAYBANK. I thank the distinguished Senator.

Mr. SALTONSTALL. Mr. President, I hope we may soon have a vote on the pending amendment.

Mr. DOUGLAS. Mr. President, although I have several amendments of my own which call for reductions in appropriations, I should like to discuss the amendment of my colleague in connection with the budget as a whole. I should also like to make some comments with respect to the statements just made by the very able and beloved chairman of the subcommittee [Mr. SALTONSTALL], who is in charge of the bill.

I am somewhat startled by his claim of economy in which he states that the appropriations requested are \$536 million under those made last year and \$715 million under the budget estimates for the fiscal year 1953-54.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield.

Mr. SALTONSTALL. The Senator says he is startled. I made the statement on Friday last. The distinguished Senator, I think, realizes that some of these cuts are deferrals. I do not mean to say for one moment that they are permanent, final cuts.

Mr. DOUGLAS. That is just the point I wish to discuss. We love the Senator from Massachusetts. He is a genuine individual. He would no more make a misstatement than he would pass a

spurious coin. However, unfortunately, the House committee led the country into a misapprehension as to the nature of the economies proposed, and I am sorry to see my good friend from Massachusetts continuing to perpetuate the misapprehension.

Mr. MAYBANK. Mr. President—

Mr. DOUGLAS. Let me finish, if I may.

The point is that, while the Senator from Massachusetts is not a "phony" in any respect, but is one of the most genuine men ever to serve in this body, this budget is a "phony," so far as economies in expenditures are concerned; and I think I can prove that statement very simply.

For example, where do these economies come from? An examination of the tabulation on page 16 of the report, discloses that the committee is claiming credit for a reduction of \$321,450,000 which is not being appropriated this year, but which was appropriated last year—for what purpose? For the payment to the civil-service retirement and disability fund. This failure to appropriate does not diminish the expenditures of the Government by 1 red cent.

Mr. MAYBANK. Mr. President, will the Senator from Illinois yield?

Mr. DOUGLAS. I shall yield later. The expenditures of the Government are determined by the statute prescribing the benefits to be paid to retired civil-service employees. If we do not appropriate this year we will be forced to appropriate next year or in succeeding years. Therefore this is purely a bookkeeping item, not a saving of a single penny to the taxpayers of the United States. I know it looks well to claim economies of \$321,450,000, but on that item there are no economies whatsoever. It is a pure piece of bookkeeping legerdemain.

Mr. SALTONSTALL. Mr. President, will the Senator from Illinois yield?

Mr. DOUGLAS. I yield.

Mr. SALTONSTALL. I should like to invite the attention of the Senator from Illinois to page 5145 of the CONGRESSIONAL RECORD of last Friday. I believe he will agree with me that the deferral to which he is referring was clearly set forth in the RECORD. I make the statement in appreciation of the kind statement he has made.

Mr. DOUGLAS. The Senator from Massachusetts makes the same statement on page 3 of the report in fine print. But in big type on page 1 a decrease in appropriations is stressed. In the House of Representatives and on the political hustings of the country the claim will be made that the administration has saved \$321,450,000 on this item. I am very glad the Senator from Massachusetts goes back to the fine print of last Friday, to point out that it is not a saving at all.

Mr. SALTONSTALL. Mr. President, will the Senator yield further?

Mr. DOUGLAS. I yield.

Mr. SALTONSTALL. I do not seek to delay the argument of the Senator from Illinois, but I know he is a distinguished author in his own right.

Mr. DOUGLAS. Please do not condemn me for that.

Mr. SALTONSTALL. He knows that the titles of books are printed in rather large type on the first page, and small print is used inside the book. Sometimes the argument inside a book may not measure up to the title of the book, and sometimes it may.

Mr. DOUGLAS. I was distressed to hear the able Senator from Massachusetts talk this afternoon in terms of large type, and not once mention the small type. The point is that the \$321,450,000 item, which is claimed as a saving, is not a saving at all. The money will have to be spent sometime. If we do not appropriate the money this year, we will have to appropriate it in some future year. In fact, the administration may have to resort to unsound financial procedures in postponing until tomorrow what it should provide today.

Mr. MAYBANK. Mr. President, will the Senator yield?

Mr. DOUGLAS. I am glad to yield to my friend from South Carolina.

Mr. MAYBANK. I merely wanted to say to the distinguished Senator from Illinois that the point I was trying to make was that the appropriations contained in the bill are below those recommended by the President.

Mr. DOUGLAS. But the reductions are not real. They are "paper" savings only.

Mr. MAYBANK. They are also below the authorizations.

Mr. DOUGLAS. Yes. But that does not mean that the expenditures will be reduced.

Mr. MAYBANK. I did not suggest it.

Mr. DOUGLAS. I understand.

Mr. MAYBANK. I do not want any mistake to be made. I would say to the Senator that, aside from the amendment which was adopted this morning, namely, to add seven more television teams, in order to expedite television applications throughout the United States, I do not believe the Senator from Illinois will find any place in the bill where we raised the so-called false budget. Am I correct?

Mr. DOUGLAS. We will go into that point later. There are in fact numerous increases.

Mr. MAYBANK. I am asking the Senator whether I am correct in my statement.

Mr. DOUGLAS. I am not accusing the Senator from Massachusetts or the Senator from South Carolina of telling an untruth. They would not do it. I merely say they are not telling all the truth, because they talked in terms of appropriations, not in terms of actual expenditures.

Mr. MAYBANK. Mr. President, we did not do that at all.

Mr. DOUGLAS. On page 1 of the report it is done. Furthermore, in the statement of the very able Senator from Massachusetts this afternoon he talked in terms of appropriations. The real question is how much is saved in expenditures for the Government.

Mr. MAYBANK. But we never stop with page 1.

Mr. DOUGLAS. The orators stop on page 1.

Mr. MAYBANK. Not the Senator from South Carolina.

Mr. DOUGLAS. On the hustings they will say what a great thing the Republican administration has done. They will say, "We have cut appropriations by \$536 million."

Three hundred and twenty million dollars of that amount is a complete "phony."

Mr. SALTONSTALL. Mr. President, will the Senator from Illinois yield?

Mr. DOUGLAS. I yield to the Senator from Massachusetts.

Mr. SALTONSTALL. I hope the Senator will not use the words "complete phony." Rather, it is a deferral. It is a proper deferral, because the Civil Service Commission states that the whole retirement system is being reexamined. We hope, when it is reexamined, a substantial amount of this money will not have to be appropriated.

Mr. DOUGLAS. But the liabilities to the Government have been created by organic acts which prescribe the benefits of the Federal retirement system. The bill of which the Senator from Massachusetts is in charge is not decreasing that liability by one penny. It fails to appropriate what sooner or later will have to be appropriated. The day of reckoning will come.

Mr. SALTONSTALL. The word "phony" in academic circles is considered to be a rather derogatory word, and I hope the Senator from Illinois will use a different appellation. Whatever the Federal Government may have to appropriate, I hope it will not have to put up all of that money. I hope the Senator will use a different word.

Mr. DOUGLAS. I hope the Senator from Massachusetts will cease trying to give the impression to the country that this is an economy. It is a decrease in the appropriations, but it is not by one penny a decrease in expenditures.

Mr. MAYBANK. Mr. President, oh, no. "By one penny," the Senator says.

The PRESIDING OFFICER (Mr. HENDRICKSON in the chair). Does the Senator from Illinois yield to the Senator from South Carolina?

Mr. DOUGLAS. I yield.

Mr. MAYBANK. I believe the Senator from Illinois went a little too far.

Mr. DOUGLAS. It is not a decrease by one penny in the case of this item.

Mr. MAYBANK. Oh, the Senator from Illinois did not say "in the case of this item" before.

Mr. HUMPHREY. Mr. President, will the Senator from Illinois yield?

Mr. DOUGLAS. I yield.

Mr. HUMPHREY. I will ask the Senator from Illinois if, in his opinion, any proposals have been before this Congress or before any of the Congresses of which we have been a part, starting with the 81st Congress, which have in any way indicated that the Government's liability or contributions to the civil-service retirement fund would be any less.

Mr. DOUGLAS. No; not at all.

Mr. HUMPHREY. Mr. President, will the Senator from Illinois yield further?

Mr. DOUGLAS. I yield further.

Mr. HUMPHREY. Is it not true that there are a number of bills presently before the Committee on Post Office and Civil Service dealing with that subject?

Mr. DOUGLAS. I believe so.

Mr. HUMPHREY. I may say, in digression, that as chairman of a subcommittee in the 81st Congress I recall holding hearings on proposals for retirement benefits which would have greatly increased the Government's liability, rather than decreased the amount of money which the Government would have to pay.

Mr. DOUGLAS. I wish to point out that so far as this item is concerned, the liabilities have not been diminished by one cent. What the committee has done and what the majority has done is to fail to appropriate to meet unchanged liabilities. Hereafter the day of reckoning will come. It may be that some Senators are waiting for the day of reckoning to come in another administration. In any event the burden will fall on the taxpayers.

Mr. HUMPHREY. Is the Senator from Illinois suggesting that the temporary majority now is waiting for the Democratic majority of the 84th Congress to pick up the tab?

Mr. DOUGLAS. Well, I would not put it so badly, but I will say that they are transferring to the future the responsibility for their failure to appropriate today.

Therefore it is a piece of phony economy. There is not a bit of saving in this item.

Let us take another item of alleged saving. There are two items listed on page 17 of the report, at the bottom of the page, dealing with strategic and critical materials. For fiscal 1953 Congress appropriated just a little short of \$204 million for this purpose. The present administration fails to recommend an appropriation for this purpose. Therefore the item shows up on page 1 of the report as a \$204 million saving in appropriations.

Why have they cut out the appropriation? Because, they say, there is a carry-over in funds which will be sufficient to enable the strategic and critical materials to be purchased. Apparently there is no contemplation that the rate of accumulation of these strategic and critical materials is to be diminished. I hope it will not be, because we need to stockpile copper, tin, rubber, uranium, manganese, and so forth, on which we are dependent on overseas sources in the event war breaks out.

So there is no saving so far as expenditures on this item are concerned. If we add the \$321½ million and the \$204 million we get a total of \$525 million, which is claimed as an economy in expenditures. It is not an economy at all in expenditures. They may be reductions in appropriations, but they are not economies in expenditures.

That would apparently leave the committee with savings of approximately only \$10 million, or 1 percent of the budget.

But let us analyze even that claim a little more fully. I now invite attention to the item regarding hospital facilities in the District of Columbia. Again it is to be found on page 17 of the report. We find that \$11,400,000 was provided for this purpose in the

Supplemental Appropriation Act, 1953; and we find that no appropriation is proposed at this time. Therefore, that is said to be an economy in appropriations, in the amount of \$11,400,000. However, if we examine the extra fine print at the bottom of page 17, we find that the appropriation was made in a Supplemental Appropriation Act passed by Congress, and therefore is not a real economy to be effected. It is an item which was appropriated heretofore by the Congress. It is not a real saving, since it is not a recurring item, and, in fact, no request has been made for further appropriations for this item. So, as a matter of fact, that item is not an economy.

Thus, the situation boils down to one in which we find that, instead of making an actual reduction in appropriations, the committee has in fact provided for an actual increase of \$1 million over the appropriations of last year.

Mr. CASE. Mr. President, will the Senator from Illinois yield for a question?

Mr. DOUGLAS. I yield.

Mr. CASE. The Senator from Illinois would not wish to be interpreted as suggesting that the appropriation for that purpose should be made in this bill, after the appropriation has already been made in the supplemental bill, would he?

Mr. DOUGLAS. No; I am simply saying that unless we read the footnote which appears in very fine type, we would think that the \$11,400,000 was an actual saving. I think the appropriation was a necessary one, but it should not be claimed as an economy on the part of the present Congress, simply because the present Congress failed to renew it or failed to double the amount at once. That item is a nonrecurring one, which the Senator from South Dakota succeeded in having provided for, a few weeks ago—and I am glad he did. On the other hand, the Republican Party should not claim credit for not doubling the item immediately.

Mr. SALTONSTALL. Mr. President, will the Senator from Illinois yield to me?

Mr. DOUGLAS. I yield.

Mr. SALTONSTALL. I do not wish to prolong the discussion, but I desire to call attention—for I know the Senator from Illinois does not wish to misrepresent the situation—

Mr. DOUGLAS. Of course I do not wish to do so.

Mr. SALTONSTALL. Therefore, I wish to call attention to the fact that the hospital item about which the Senator from Illinois was speaking, was contained in the appropriation bill for 1953 which is the bill the Congress passed last July; and that item is not included in the present estimates.

Mr. DOUGLAS. The footnote on page 17 of the report reads "contained in Supplemental Appropriations Act, 1953." Was that act passed in 1953?

Mr. SALTONSTALL. It was passed in the fiscal year 1953.

Mr. DOUGLAS. When was that act passed?

Mr. SALTONSTALL. It was passed last July.

Mr. DOUGLAS. Then, to that degree I am very glad to amend the statement I have made.

Mr. President, I am simply pointing out that no Member of Congress would think of appropriating another \$11,400,000 for hospitals in the District of Columbia.

Mr. SALTONSTALL. No; that item was not even in Mr. Truman's budget for this year.

Mr. DOUGLAS. Therefore, it is not an economy which this administration has put into effect.

Mr. SALTONSTALL. No, and it is not included in the estimated savings.

Mr. DOUGLAS. It is included as a saving below the amount appropriated last year.

Mr. SALTONSTALL. Yes, because that item was previously appropriated.

I hope the discussion will not be prolonged, but I should like to say that the \$225 million of estimates for strategic materials is an appropriations estimate. I do not think the Senator from Illinois means to confuse estimates and appropriations.

Mr. DOUGLAS. I have merely been trying to separate appropriations from expenditures; that is the entire purpose at the moment.

Mr. SALTONSTALL. Very well. That amount may be a fundamental and final saving in the appropriations. The money is available, and will be expended; but an additional appropriation is not necessary.

In this body we speak in terms of appropriations. The Finance Committee speaks in terms of expenditures and taxes; but in this body we always speak, when dealing with an appropriation bill, in terms of appropriations.

The \$225 million item may never recur. We hope it will not. We hope the expenditure of that amount of money will result in the building up of sufficient strategic materials, so that to the extent of that amount, or a substantial part of it, there will be a real saving in the 1955 appropriation bill.

Mr. DOUGLAS. I should like to point out that what matters to the taxpayers is expenditures.

Mr. SALTONSTALL. That is correct.

Mr. DOUGLAS. We should not confuse the taxpayers by bookkeeping economies in appropriations, which are not economies in expenditures in the slightest degree.

Mr. SALTONSTALL. Mr. President, will the Senator from Illinois yield further?

Mr. DOUGLAS. I yield.

Mr. SALTONSTALL. In every appropriation bill we speak in terms of appropriations.

An explanation may be made as to the results in terms of expenditures this year. However, for instance, in connection with the Department of Defense, let me say that—to state the matter conservatively—approximately \$40 billion, of Defense Department funds constitute carry-overs that will be spent this year. So there is \$89 billion in the Defense Department funds. I mention that to show that, in addition to the appropriations now being made, there is the money left

over from the previous appropriations which has not yet been expended. That money must be added to the appropriations made this year, in order to find the new figure.

However, in the appropriation bill we talk in terms of appropriations, so far as I know.

I hope a great part of the \$225 million will be an ultimate saving, and will never appear as an appropriation item.

Mr. DOUGLAS. I think that is highly problematical. However, certainly the ultimate responsibilities of the government are not diminished in this way.

I am pointing out that the Appropriations Committee has been preening itself on the alleged great economies which are claimed to have been effected, whereas I point out that the reductions are made by drawing on past expenditures and postponing future obligations; and at the moment all the Appropriations Committee can claim as an economy is \$10 million. If we include the \$11,400,000 of appropriations for hospitals in the District of Columbia, we find that, instead of a decrease, in reality there is an increase of approximately \$1,500,000 in appropriations, over the amounts appropriated last year, which I submit is not a good showing of economy.

If we are going to cut the budget, we had better do it, so that we can actually reduce expenditures, and not merely have paper cuts in appropriations.

Mr. President, after making that statement, I was about to submit the proposals I wish to present to the Senate.

Mr. WILLIAMS. Mr. President, will the Senator from Illinois yield to me?

Mr. DOUGLAS. I yield.

Mr. WILLIAMS. The Senator from Illinois has pointed out the difference on the basis of the \$11,400,000 that was appropriated by means of the bill passed last July, I believe.

I desire to call attention to page 18 of the report, where there is a \$50 million item under the heading "Defense Housing." That item likewise was provided in a previous appropriation bill, but it does not represent a true saving, any more than does the \$11,400,000.

Mr. DOUGLAS. I wish to thank the Senator from Delaware. That means that, in reality, approximately \$51 million more is being asked for than was appropriated last year.

Mr. WILLIAMS. In reality, I agree with the Senator from Illinois that if this bill is passed as it now stands we shall be appropriating more money for all the agencies, on a comparable basis, than was appropriated during the previous administration.

Mr. DOUGLAS. I thank the Senator from Delaware. I wish to say that by means of this measure the progress of the majority toward economy is like that of the crab; namely, when it tries to go forward, it really moves backward.

Mr. SALTONSTALL. Mr. President, will the Senator from Illinois yield to me?

Mr. DOUGLAS. I yield.

Mr. SALTONSTALL. In the interest of accuracy, I hope both the Senator from Delaware and the Senator from Illinois will listen for a moment.

On page 27 of the appropriation bill, under the item "Defense Housing," not only is the \$50 million—to which the Senator has referred—which was appropriated last year, not appropriated—and that is what we are discussing—but this appropriation bill rescinds \$17,500,000 of the previous appropriation, and that amount cannot be spent, because we are rescinding it, and we are not appropriating any additional funds for that purpose.

Mr. DOUGLAS. Then let me say that the committee has increased the expenditures by only \$35 million, instead of by \$52,500,000.

Mr. President, let us examine some of the other claimed economies.

There is eliminated an item of \$4 million for Alaska housing, which is an exotic item; and then there is a reduction of approximately \$1,700,000 in the administrative expenses of the Civil Service Commission. Whether the latter is caused by the fact that our good friends of the majority believe that the work of the Civil Service Commission will be reduced, now that a large part of the personnel work has been transferred to the Republican National Committee, I do not know. At least, that is a possibility, namely, that out of private funds amounts will be provided for clerical help and for the checking of personnel in the Republican National Committee, which will permit of a reduction in the expenditure of public funds. In any event, I do not wish to make such a charge, but I refer to it as an interesting possibility.

However, Mr. President, the committee and the administration have not cut the expenditures of the Government, so far as these items are concerned, by one penny. The expenditures may actually be increased by approximately \$35 million.

Mr. President, I think it is about time that we made some real economies.

The proposal of my colleague, the junior Senator from Illinois [Mr. DIRKSEN], who sits on the other side of the aisle, is for a 5-percent reduction, or cut across the board, which would save approximately \$23 million.

I think we should try to reduce the budget by about as much as is proposed; but I dislike the meat-ax cuts, because they fall on the just as well as on the unjust. They fall upon the services which are already down to a minimum, as well as upon those that have a surplus of fat. I am not a skilled budget surgeon, but I much prefer to use the scalpel to cut out the fat than to take a meat ax and to hack down through the bone and sinew of the services.

What I should like to do would be to propose a series of six amendments, which would save, in all, approximately \$16,800,000, and \$15,800,000 of this would be applied to General Services Administration, which is actually getting about \$2 million more out of this budget than was appropriated last year, and which is the agency performing purely overhead operations.

Mr. President, I am not quite certain what the parliamentary situation is. What I am disposed to do is to allow

the Dirksen amendment to come to a vote, and, if it carries, to propose further cuts to the degree to which my proposed reductions would be in excess of the Dirksen cut; and if it shall not be agreed to, to offer my proposals de novo, as it were.

Mr. DIRKSEN. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Aiken	Hayden	Maybank
Barrett	Hendrickson	McCarthy
Beall	Hennings	McClellan
Bennett	Hickenlooper	Millikin
Bricker	Hill	Monroney
Bush	Hoey	Morse
Butler, Md.	Holland	Mundt
Byrd	Humphrey	Neely
Carlson	Hunt	Pastore
Case	Ives	Payne
Chavez	Jackson	Potter
Clements	Jenner	Purtell
Cordon	Johnson, Colo.	Robertson
Dirksen	Johnson, Tex.	Saltonstall
Douglas	Johnston, S. C.	Smathers
Dworshak	Kefauver	Smith, Maine
Ellender	Kennedy	Smith, N. J.
Ferguson	Knowland	Smith, N. C.
Flanders	Kuchel	Sparkman
Frear	Langer	Stennis
Fulbright	Lehman	Symington
George	Long	Thye
Goldwater	Magnuson	Watkins
Gore	Malone	Wiley
Green	Mansfield	Williams
Griswold	Martin	Young

The VICE PRESIDENT. A quorum is present.

Mr. SALTONSTALL. Mr. President, I yield to the Senator from Illinois [Mr. DIRKSEN] for a request for the yeas and nays.

Mr. DIRKSEN. Mr. President, there is an amendment pending before the Senate for a 5 percent cut in the appropriation bill. On that question I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. SALTONSTALL. Mr. President, the distinguished junior Senator from Illinois has asked for an overall 5 percent cut in the independent offices appropriation bill. I should like to point out that of the \$457 million appropriated in the bill \$200 million is provided for contract payments on definite obligations, for annuity payments, renegotiation payments, and other things of that kind, and another \$40 million is for a regulative body which we have already cut approximately 17 percent.

In the past year we had an administration which perhaps did not help us to cut appropriations. This year we have an administration which sent in a budget which is much reduced from the original budget.

The House has cut the revised estimates much more. I believe the cuts are substantial. I will not say they are the utmost that can be done, but to make an overall cut of 5 percent when almost half of the appropriation is for contract payments I think is unwise.

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. SALTONSTALL. I yield.

Mr. HOLLAND. How does the total amount for the items contained in this bill compare with the total appropriations in the comparable bill for last year?

Mr. SALTONSTALL. I call the Senator's attention to the first page of the committee report, which states that the amount of appropriations for fiscal 1953 were \$993,536,843. The amount reported in the bill this year is \$457 million.

I do not wish any misinterpretation to arise. In round figures, approximately \$350 million, perhaps as much as \$400 million, is a deferral for the Civil Service Commission to make payments to the retirement fund. Two hundred and twenty-five million dollars of the cut is in the amount for strategic materials, for which there is sufficient money this year.

What is important to remember is that the cut in funds for operating agencies is 17 percent.

Mr. HOLLAND. I thank the distinguished Senator from Massachusetts.

The VICE PRESIDENT. The question is on agreeing to the amendment of the Senator from Illinois [Mr. DIRKSEN], which will be stated.

The CHIEF CLERK. On page 1, after line 2, it is proposed to strike out the remainder of the page and insert in lieu thereof the following:

That, for the Executive Office and sundry independent executive bureaus, boards, commissions, agencies and offices under this title, in not to exceed the amounts set out, respectively, in each of the appropriation paragraphs therefor (except that the amount set out for the compensation of the President is appropriated in full and may not be reduced), there is appropriated, out of any money in the Treasury not otherwise appropriated, not to exceed 95 percent of the gross total of such several amounts for the fiscal year ending June 30, 1954, namely.

The VICE PRESIDENT. The yeas and nays have been ordered, and the Secretary will call the roll.

The Chief Clerk called the roll.

Mr. SALTONSTALL. I announce that the Senator from New Hampshire [Mr. BRIDGES], and the Senator from Idaho [Mr. WELKER], are absent by leave of the Senate. If present and voting the Senator from Idaho would vote "yea."

The Senator from Indiana [Mr. CAPEHART] is absent on official committee business. On this vote the Senator from Indiana [Mr. CAPEHART] is paired with the Senator from West Virginia [Mr. KILGORE]. If present and voting, the Senator from Indiana would vote "yea," and the Senator from West Virginia would vote "nay."

I also announce that the Senator from Kentucky [Mr. COOPER] and the Senator from New Hampshire [Mr. TOBEY] are absent on official business. If present and voting, the Senator from New Hampshire would vote "nay."

I further announce that the Senator from Nebraska [Mr. BUTLER], the Senator from Pennsylvania [Mr. DUFF], the Senator from Kansas [Mr. SCHOEPP], and the Senator from Ohio [Mr. TAFT] are necessarily absent. If present and voting, the Senator from Pennsylvania would vote "nay."

On this vote the Senator from Kansas [Mr. SCHOEPP] is paired with the Senator from Montana [Mr. MURRAY]. If present and voting, the Senator from Kansas would vote "yea," and the Senator from Montana would vote "nay."

Mr. CLEMENTS. I announce that the Senator from New Mexico [Mr. ANDERSON], the Senator from Texas [Mr. DANIEL], the Senator from Mississippi [Mr. EASTLAND], the Senator from Iowa [Mr. GILLETTE], and the Senator from Oklahoma [Mr. KERR] are absent on official business.

The Senator from West Virginia [Mr. KILGORE] and the Senator from Georgia [Mr. RUSSELL] are necessarily absent.

The Senator from Nevada [Mr. McCARRAN] and the Senator from Montana [Mr. MURRAY] are absent by leave of the Senate.

I announce further that on this vote the Senator from West Virginia [Mr. KILGORE] is paired with the Senator from Indiana [Mr. CAPEHART]. If present and voting, the Senator from West Virginia would vote "nay," and the Senator from Indiana would vote "yea."

The Senator from Montana [Mr. MURRAY] is paired on this vote with the Senator from Kansas [Mr. SCHOEPP]. If present and voting, the Senator from Montana would vote "nay," and the Senator from Kansas would vote "yea."

The result was announced—yeas 35, nays 43, as follows:

YEAS—35

Barrett	Goldwater	McCarthy
Beall	Griswold	Millikin
Bennett	Hendrickson	Morse
Bricker	Hickenlooper	Mundt
Butler, Md.	Hunt	Pastore
Byrd	Jackson	Potter
Dirksen	Jenner	Smathers
Douglas	Kennedy	Smith, Maine
Dworshak	Kuchel	Smith, N. C.
Ferguson	Malone	Watkins
Frear	Mansfield	Williams
George	Martin	

NAYS—43

Aiken	Hoey	Monroney
Bush	Holland	Neely
Carlson	Humphrey	Payne
Case	Ives	Purtell
Chavez	Johnson, Colo.	Robertson
Clements	Johnson, Tex.	Saltonstall
Cordon	Johnston, S. C.	Smith, N. J.
Ellender	Kefauver	Sparkman
Flanders	Knowland	Stennis
Fulbright	Langer	Symington
Gore	Lehman	Thye
Green	Long	Wiley
Hayden	Magnuson	Young
Hennings	Maybank	
Hill	McClellan	

NOT VOTING—18

Anderson	Duff	Murray
Bridges	Eastland	Russell
Butler, Nebr.	Gillette	Schoepp
Capehart	Kerr	Taft
Cooper	Kilgore	Tobey
Daniel	McCarran	Welker

So Mr. DIRKSEN's amendment was rejected.

Mr. DOUGLAS. Mr. President, in accordance with the agreement made last Friday I ask to reopen for consideration the committee amendment on page 12, lines 22 and 23.

The VICE PRESIDENT. The question is on agreeing to the committee amendment.

Mr. DOUGLAS. Mr. President, I move to reject the committee amendment on page 12, lines 22 and 23, the result of which motion would be to restore the House figure.

The VICE PRESIDENT. The committee amendment will be stated.

The CHIEF CLERK. At the end of line 22 and the beginning of line 23 it is

proposed to strike out "\$98,826,070" and insert "\$104,750,000."

Mr. DOUGLAS. I move to strike out the figure "\$104,750,000" and hold to the House figure of "\$98,826,070."

The VICE PRESIDENT. The question will be put on agreeing to the committee amendment. A negative vote will obtain the result the Senator from Illinois desires.

Mr. DOUGLAS. I ask for the yeas and nays on the committee amendment, and ask the privilege of making a brief statement before the first name is called.

The yeas and nays were ordered.

Mr. DOUGLAS. Mr. President, we have just rejected the amendment of my colleague [Mr. DIRKSEN], which would have saved approximately \$23 million. I voted for that amendment, although I do not believe in meat-ax cuts. I voted for it because it was the pending question.

Now we have an opportunity for selective cuts. I should like to emphasize the need for further cuts in this appropriation bill. Earlier in the afternoon I analyzed—

Mr. MAYBANK. Mr. President—

Mr. DOUGLAS. May I finish?

Mr. MAYBANK. I was about to ask the Senator to enlighten us on the particular amendment. I have been asked to what it pertains.

Mr. DOUGLAS. Mr. President, the committee has brought forward an appropriation bill which really does not save any money whatsoever for the taxpayers of the United States. It contains bookkeeping items which indicate reductions in appropriations of some \$536 million below the amounts appropriated last year. But if we analyze the bill we find that \$525 million represents pure bookkeeping items, not involving any reduction in expenditures. Furthermore, the \$11,400,000 item which is claimed as a saving on hospitals in the District of Columbia is a nonrecurring item, which could not have been expected to be included in this bill. There is an item of \$50 million in connection with defense housing which appears as a saving. Actually it represents a phoney bookkeeping item amounting to \$32,500,000.

So this budget is around \$34 million greater than last year as far as authorized expenditures are concerned.

The pending amendment is the first of several which I intend to propose, which, if adopted, will save in all \$16,800,000.

We turned down the meat-ax way of making economies. Now we come to the selective method.

The cuts which I am proposing are not on fixed items or on obligations of the Government, to which the Senator from Massachusetts has referred in connection with the Dirksen amendment, but are merely overhead items.

I wish to discuss the General Services Administration. I am proposing to cut the appropriation by \$5,900,000, thereby reverting to the House figure. This is purely an overhead item. The Senate committee recommends the increases because of a loss in building management reimbursements by other agencies and because of an alleged increase in utility and rental rates.

I submit that there is at least \$5,900,000 worth of fat in the previous budget of the General Services Administration, out of which it can meet the increased charges which have allegedly come about.

This is a real chance to save money on a selective basis.

Mr. SALTONSTALL. Mr. President, I wish I could go along with the Senator from Illinois. I should like to explain what funds are proposed to be stricken.

The first item consists of 2,196,000 square feet of space previously managed on a basis of reimbursement from funds appropriated to other agencies, \$3,394,450.

The next item represents increases in cost due to advances in rental and utility rates, \$1,120,000.

The third item represents 223,000 square feet of converted Government-owned space, \$130,000.

Therefore the Senator from Illinois would cut out 2,196,000 square feet of space taken over by the General Services which was previously managed on a basis of reimbursement from funds appropriated to other agencies; the advances in rental and utility rates, and 223,000 square feet of converted Government-owned space.

If the appropriation is stricken from this bill there will be no way of paying for this space used by the Government.

Mr. DOUGLAS. Mr. President, will the Senator yield?

Mr. SALTONSTALL. I yield.

Mr. DOUGLAS. Does not the Senator from Massachusetts believe that there is a degree of slack in the General Services Administration which that agency could eliminate and thereby absorb these increased costs? Why is the Senator from Massachusetts assuming that the increased costs of approximately \$5 million will have to be met from increased appropriations? Why can we not put the squeeze on the General Services Administration to absorb these increases in costs?

Mr. SALTONSTALL. I would say that the amount has already been cut from \$121 million to \$105 million. The amount in the Truman budget was \$121 million, and the amount recommended by the committee is \$105 million. These items are for utility services, office space, cleaning of offices, washing windows, and paying for electric light.

Mr. DOUGLAS. Mr. President, will the Senator yield?

Mr. SALTONSTALL. I yield.

Mr. DOUGLAS. If we make our comparisons in terms of the appropriations of last year, the appropriations were not \$121 million, but only slightly more than \$101 million. There is proposed by the bill an increase in appropriations over last year of \$3.6 million.

Mr. SALTONSTALL. I will say to the Senator from Illinois that the General Services Administration is gradually taking over space from other agencies and paying for it. The reason the appropriation last year was smaller than this year is that the additional space had not then been taken over by the General Services Administration, but

was provided for by appropriations for other agencies.

Mr. MORSE. Mr. President, will the Senator yield?

Mr. SALTONSTALL. I yield.

Mr. MORSE. For the moment, instead of arguing from the premise of the Senator from Massachusetts, namely, that all of these services must be continued, what does the Senator have to say about this hypothetical assumption? What would the General Services Administration, in the opinion of the Senator from Massachusetts, do if we should adopt the amendment?

Mr. SALTONSTALL. If we should adopt the amendment, then, according to the information given to us, there would be no money with which to provide services for 2,196,000 square feet of space or to pay for utilities or to pay for the rentals involved.

Mr. MORSE. Does the Senator from Massachusetts deny the fact that if the Senate adopts the amendment we would thereby force the General Services Administration to bring about some economies, even with the possibility of dropping some functions?

Mr. SALTONSTALL. I will say to the Senator from Oregon that we have already cut \$16 million from the estimate for carrying on the services. According to the information before the committee, there are involved such questions as how many times a week a building should be cleaned, how much cleaning of offices should be done, how often the windows should be washed, and how the electric light should be paid for.

Mr. MORSE. Mr. President, will the Senator yield for one more question?

Mr. SALTONSTALL. I yield.

Mr. MORSE. Does the Senator disagree that the only way to economize to the bone is to start to cut to the bone?

Mr. SALTONSTALL. I agree perfectly; but I think the Senator from Oregon would not want elevator service to be eliminated, forcing persons to walk up stairs in the buildings, or the cleaning of windows eliminated.

Mr. MORSE. I take the position that that would not follow at all.

Mr. THYE. Mr. President, will the Senator yield?

Mr. SALTONSTALL. I yield.

Mr. THYE. I have had the opportunity to observe some of the buildings managed by the General Services Administration, over which it has custody. I visited such buildings, not only post office buildings, but also Federal courthouses. I noticed the unkempt condition of the buildings. I spoke to the custodians in charge of those buildings, and I also spoke to the janitorial staff about it. I was informed on each occasion that the only reason for it was the reduction in force and their inability to employ additional help, because they did not have the funds with which to do it.

No Federal buildings should be permitted to get into the bad state of custodial care in which I found some buildings.

I found instances where the employment of some senior employees had been terminated, and after a period of time

the same employees were hired at the minimum wage. I said it was an abuse of the rights of the senior personnel in the custodial service.

Therefore, in viewing this appropriation I came to the conclusion, as a committee member, that the members of the committee had a responsibility, so far as the custodial services of the Federal buildings was concerned, to give the General Services Administration sufficient funds with which to keep the buildings in a condition which would conform to what the condition of a Federal building should be.

That is why I supported this amount of money for the General Services Administration.

Therefore I will oppose the amendment, because of the conditions which I found in some of the Federal buildings.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. SALTONSTALL. I yield.

Mr. AIKEN. I was merely going to ask the Senator from Massachusetts whether it would not be possible to comply with the desires of the Senator from Illinois and the Senator from Oregon by having the custodians of the public buildings wash only the lower half of the buildings, because no one ever looks in the upper half anyway, and very few people up there look out. Perhaps in that way we could make a substantial saving.

Mr. SALTONSTALL. I would leave the Senator's question to speak for itself.

Mr. LEHMAN. Mr. President, will the Senator yield?

Mr. SALTONSTALL. I yield.

Mr. LEHMAN. It is perfectly evident that it is proposed to make serious cuts in our health services and in our welfare services, to which I am very much opposed. We learned last night from the President of the United States that it is proposed to make very great cuts in our defense services which are designed to protect the security of the Nation. It seems to me that so long as we are considering making cuts in the health, welfare, and security services, it is not asking very much to make a cut of \$4 million or \$5 million in connection with the washing of windows, the elevator service, and the cleaning of the halls of the Government buildings.

The health, welfare, and security services are vitally necessary, and cuts in those services will seriously injure the people of the Nation.

So, Mr. President, I do not believe that a cut in the funds for the washing of windows and the funds for elevator services and the funds for the cleaning of the halls of the Government buildings, and a cut in the funds for the various other functions of the General Services Administration, will be of very serious moment.

Mr. BRICKER. Mr. President, will the Senator from Massachusetts yield to me?

Mr. SALTONSTALL. I yield.

Mr. BRICKER. Will the chairman of the subcommittee detail for us where the savings in the other departments will come as a result of having the General Services Administration take over

the management of buildings which heretofore were in charge of other agencies?

Mr. SALTONSTALL. I cannot do that now. This estimate has come to us from the Director of the Bureau of the Budget. I have to take the word of the Bureau of the Budget that the cuts in the appropriations for the other agencies were made; they are never detailed to us.

Mr. BRICKER. The cuts represent buildings and services taken over by the General Services Administration from various administrative departments; is that correct?

Mr. SALTONSTALL. That is correct. A few years ago, by law, we assigned these services to the General Services Administration; and gradually, as the leases to the various administrative departments expire, new leases are made with the General Services Administration.

Mr. BRICKER. Was that presentation made to the committee?

Mr. SALTONSTALL. It was, on the basis of an overall figure. I can give the breakdown of the estimate; I have the breakdown of the \$105 million, from which we have proposed a cut of approximately \$7 million, so the amounts I shall now state should be reduced, in total, by the \$7 million: Operation and maintenance of Government-owned space, \$45,700,000; rental—operation—in other words, rental and operation to prepare leased space—\$40 million.

I have the detailed breakdown of that figure, in the case of the Atomic Energy Commission, the Civil Service Commission, the Department of Agriculture, the Department of Commerce, the Department of Defense, the Department of the Interior, the Department of Justice, the Department of Labor, the Department of State, the Federal Security Agency, the General Accounting Office, the Renegotiation Board, and the Treasury Department. Those areas amount to 2,195,000 square feet, in total.

Mr. BRICKER. The reductions will be apparent in the appropriations for the various departments, when they come to us; is that correct?

Mr. SALTONSTALL. That is the committee's understanding.

Mr. BRICKER. Will the chairman of the subcommittee designate those items, at the time when those appropriation bills are presented to the Senate?

Mr. SALTONSTALL. I shall be very glad to try to do so.

Mr. CASE. Mr. President—

Mr. SALTONSTALL. I yield to the Senator from South Dakota.

Mr. CASE. Mr. President, unless the chairman of the subcommittee wishes to retain the floor, I desire to obtain the floor in my own right.

Mr. SALTONSTALL. Certainly.

Mr. CASE. First, Mr. President, I should like to propound a parliamentary inquiry.

The VICE PRESIDENT. The Senator from South Dakota will state it.

Mr. CASE. Is the pending question on agreeing to the committee amendment?

The VICE PRESIDENT. That is correct.

Mr. CASE. In other words, do I correctly understand that a vote for a reduction or a vote to restore the amount voted by the House of Representatives will be a vote "no"—namely, a vote to reject the increase proposed by the committee?

The VICE PRESIDENT. That is correct.

Mr. CASE. Mr. President, I find myself in a position which I never relish, namely, in opposition to the distinguished Senator from Massachusetts [Mr. SALTONSTALL], the chairman of the subcommittee, who is handling the appropriation bill, and who is also Chairman of the Committee on Armed Services.

I particularly do not cherish the situation in which I find myself, because my position in opposition to the recommendation of the Appropriations Committee in this instance grows out of an assignment which the Senator from Massachusetts [Mr. SALTONSTALL], as Chairman of the Armed Services Committee, gave me. He assigned me to be chairman of a subcommittee on real estate and military construction; that is a subcommittee of the Committee on Armed Services. In that connection it has been our responsibility, among other things, for the past several weeks to review the requests for the approval of leases, as submitted by the General Services Administration or as negotiated by that Administration or as proposed by various branches of the armed services for their own use.

My opposition to the proposed increase in the appropriation for the General Services Administration grows out of the fact that in those hearings I have become convinced that the only way we can "put the squeeze" on the agencies, in order to keep them from expanding and asking for more rentals, is to deny these funds to the General Services Administration. I say that because recently we had a hearing at which a representative of the General Services Administration was present, and we asked him how he determined the need of the various agencies for space. He said they certify the need to the General Services Administration, and asked the General Services Administration to provide space for them.

I asked him, "Do you pay the rent for them?"

He replied, "We do, to the extent that we have funds. If we do not have sufficient funds, they have to pay the rent themselves."

Mr. President, the situation is simply that if the General Services Administration has available funds with which to pay the rent, that Administration acts on the requests of the prospective using agency, and the General Services Administration does not itself determine whether there is need for the additional space. In other words, the agencies which wish to have the space say to the General Service Administration: "We want more space." Then, so long as the General Services Administration has available funds with which to pay the rent, that Administration seeks the space, without making a further review

as to whether the space is needed. The using agency makes its own determination as to whether the space is needed.

In the committee report the following statement appears:

The committee is advised that \$3,394,450 of the increase over 1953 is for space previously reimbursed for management from funds appropriated to other agencies, which funds have been deducted from the 1954 estimates for such other agencies.

In other words, at least that amount of the increase is for the purpose of taking up the rent bill for other agencies.

The only way we can cause those agencies to exercise sharper judgment as to whether they need more space is by making them pay the rent out of their own budgets. So long as we give them free access to the purse of the General Services Administration and so long as the General Services Administration acts on the requests of the agencies, without making any investigation, such requests for funds will be made.

The only cure is for us to require that the rent be paid out of the budget of the using agency itself, in which case it will not ask for the additional space unless it is actually needed.

Therefore, Mr. President, I must reluctantly oppose the recommendation of the Appropriations Committee, and must ask for rejection of the committee amendment.

Mr. LANGER. Mr. President, a few moments ago I voted against a 5 percent cut. I desire to say to some of the Senators who have been elected more recently than I was that it would pay them to read the CONGRESSIONAL RECORD for the past 10, 12, 14, or 16 years.

Mr. President, one of the Senators described the present condition as "a mess," and he blamed the previous administration for it. It is most illuminating to go back over the CONGRESSIONAL RECORD covering the period of the so-called bipartisan policy, and note the Senators on this side of the aisle who voted for what they now call "a mess." It would be time well spent for each of the Senators elected at the recent election to do that.

We have heard Senators on this side of the aisle talk about Alger Hiss. Who got him into office? Get the list of Republicans who voted for him, as they did when they voted for Mr. Acheson. The very Senators who most severely criticize Dean Acheson are those on this side of the aisle who voted to confirm his nomination.

They now come forward with a proposal to discharge a few stenographers, or to get rid of some girl whose brother is a veteran who fought in the war and who offered his life for America. They say, "We have too many Federal employees; let us get rid of a few of them." They vote to reduce the amount appropriated for the benefit of men lying ill in hospitals. They do not want them to have 24-hour service, although among the men in the hospitals are many who are paralyzed. They believe the service should be cut down to 16 hours a day. To the farmers of the country they say,

"We will not cancel your seed and feed loans, as Canada did." They do not say to the girls who work in the Federal service, as every other civilized country in the world has said, that the girls shall receive pay for maternity leave.

Mr. President, some of those who argue the loudest and strongest for making a 5- or 10-percent cut in some small bill that comes before the Senate—a cut perhaps involving two, three, or four million dollars—are the very ones who stood on this floor shouting at the top of their voices to send 10 million men across the water. I think every Member of the Senate knows what my position was as to the wars in which we have been involved. I have said time and again, and I now repeat, that we had no reason for being in World War I, we had even less reason for being in World War II, and we have no reason for being in Korea. I am proud of the fact that the senior Senator from North Dakota has never voted for 1 penny of any giveaway program or loan to a single foreign country, without exception.

I remember that, though it was a very unpopular thing to do at the time, I was one of two Senators who voted against ratification of the United Nations Charter. I mention this, Mr. President, because, within a few days, we are to be asked to send six or seven billion dollars across the water for mutual aid. We are now arguing about a few hundred thousand dollars and wondering whether we ought to provide for the washing of the windows of some of our buildings.

In conclusion, Mr. President, I desire merely to say that so far as the senior Senator from North Dakota is concerned, I would very much rather spend the money in the United States than spend six or seven billion dollars more across the water.

I remember a distinguished Senator, who was not upon this floor at the time the Senate voted the \$3.75 billion loan to England, and who, during his campaign, was asked, "Had you been in the Senate at the time, would you have voted for that gift loan to England?" He said, "No." He later came to the Senate, where he voted for the entire giveaway program.

Mr. President, I have no criticism to make of a man who honestly believes that we should make all these gifts and giveaway loans. I do not question the patriotism of a single Senator upon this floor. But to me it seems strange that when we are going to give away six or seven billion more, we should be spending our time going into a little detail.

Mr. DOUGLAS. Is the Senator referring to \$6 million as "a little detail"?

Mr. LANGER. Let us say that, added together, it is \$60 million—let us even say it is \$160 million.

Mr. DOUGLAS. It is only \$6 million.

Mr. LANGER. Let us say it is 10 times \$160 million. What is that compared to six or seven billion dollars? I remember that the distinguished Senator from Illinois, in a speech delivered before the DAR a year ago, recommended sending 10 million men across the water. That speech is in the CONGRESSIONAL RECORD. Well, Mr. President, the Senator from

Illinois is going to be here for some time yet, I hope, as I hope I will be, and we shall see what we get from some of the countries who have received from us billions and billions and billions of dollars.

Mr. President, I mention this purely to explain the vote I cast a few moments ago.

SEVERAL SENATORS. Vote! Vote!

Mr. MORSE. Mr. President, I quite agree with the Senator from Illinois [Mr. DOUGLAS] that straight across-the-board percentage cuts are undesirable if it is possible to have selective cutting. But, as the Senator has pointed out, we have not been very successful with selective cutting. I voted for the straight across-the-board cut because I thought that in most instances it was justified, although there were 1 or 2 appropriations as to which I felt that such a cut would work a hardship. But I thought that, by and large, the economies could be made.

We have an opportunity now to do some selective cutting by means of the amendment presently before the Senate. I am satisfied that the General Services Administration can take this cut. It seems to me that, in the argument of the distinguished Senator from Massachusetts [Mr. SALTONSTALL], there is a failure to recognize what I think any investigation will show, namely, that a good many of its functions can be reduced.

One of the great wastes I found in the Military Establishment when I was a member of the Armed Services Committee, and a member of its Subcommittee on Military Installations, was, for example, in the matter of the rental of floor space. There is a tendency to overstock in regard to floor space and office facilities. Great savings can be effected on that item alone.

I am satisfied that we can make selective cuts and in that way economize. I know of no way of economizing except to say to the various departments, "This is all you are going to have, and you are going to have to adjust your program accordingly." I believe that the amount provided in the House figure is adequate for the efficient administration of General Services.

Mr. SALTONSTALL. Mr. President, I shall take but a moment more.

The General Services Administration was established under Reorganization Plan No. 10 of 1950. Gradually it is proposed to have that agency perform all the functions of a certain kind for all the departments. It takes on new subjects from time to time. We have cut its appropriation from \$124 million to \$104 million this year. From information given to the committee, any further cut would simply mean that they would not be able to keep the buildings clean or pay the rent. I do not say that any of those services would be entirely eliminated, but I say it is good business to keep the buildings in good condition.

Mr. DOUGLAS. Mr. President, will the Senator from Massachusetts yield?

Mr. SALTONSTALL. I yield.

Mr. DOUGLAS. With the economies which the Senator claims, there will still

be an increase in the appropriation of approximately \$3,700,000 over last year.

Mr. SALTONSTALL. That is correct, as I have previously stated to the Senator; but it also represents over 2 million more square feet of space.

The VICE PRESIDENT. The question is on agreeing to the committee amendment. On this question the yeas and nays have been ordered.

Mr. DOUGLAS. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. DOUGLAS. Will the Chair state the meaning of an affirmative vote and the meaning of a negative vote?

The VICE PRESIDENT. An affirmative vote will be in favor of the committee amendment. A negative vote will be against the committee amendment and for the restoration of the amount approved by the House.

The clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. SALTONSTALL. A parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. SALTONSTALL. I ask the Chair to state the question, and I do so because at least five times I have been asked by Senators how they should vote.

The VICE PRESIDENT. The question before the Senate is on agreeing to the committee amendment, on page 12, lines 22 and 23. A vote "yea" will be a vote for the committee amendment, that is, the amount recommended by the Senate Committee on Appropriations. A vote "nay" will be a vote for the amount appropriated by the House of Representatives. A vote "nay" is a vote to reduce the amount approved by the Senate Committee on Appropriations.

The clerk will continue the call of the roll.

The Chief Clerk resumed and concluded the call of the roll.

Mr. FERGUSON. Mr. President, I inquire how am I recorded?

The VICE PRESIDENT. The Senator is recorded as having voted in the affirmative.

Mr. FERGUSON. Since this is a vote on a cut of the amount recommended by the committee, I wish to change my vote from "yea" to "nay."

Mr. SALTONSTALL. I announce that the Senator from New Hampshire [Mr. BRIDGES] and the Senator from Idaho [Mr. WELKER] are absent by leave of the Senate. If present and voting, the Senator from Idaho would vote "nay."

The Senator from Indiana [Mr. CAPEHART] and the Senator from Wisconsin [Mr. WILEY] are absent on official committee business. If present and voting, the Senator from Indiana and the Senator from Wisconsin would each vote "nay."

The Senator from Kentucky [Mr. COOPER] and the Senator from New Hampshire [Mr. TOBEY] are absent on official business. If present and voting, the Senator from New Hampshire would vote "yea."

The Senator from Maryland [Mr. BEALL], the Senator from Nebraska [Mr.

BUTLER], the Senator from Illinois [Mr. DIRKSEN], the Senator from Pennsylvania [Mr. DUFF], the Senator from Wisconsin [Mr. MCCARTHY], the Senator from Kansas [Mr. SCHOEPPEL], and the Senator from Ohio [Mr. TAFT] are necessarily absent. If present and voting, the Senator from Wisconsin would vote "nay."

On this vote the Senator from Kansas [Mr. SCHOEPPEL] is paired with the Senator from West Virginia [Mr. KILGORE]. If present and voting, the Senator from Kansas would vote "nay" and the Senator from West Virginia would vote "yea."

Mr. CLEMENTS. I announce that the Senator from New Mexico [Mr. ANDERSON], the Senator from Mississippi [Mr. EASTLAND], the Senator from Iowa [Mr. GILLETTE], and the Senator from Oklahoma [Mr. KERR] are absent on official business.

The Senator from West Virginia [Mr. KILGORE] and the Senator from Georgia [Mr. RUSSELL] are necessarily absent.

The Senator from Nevada [Mr. MCCARRAN] and the Senator from Montana [Mr. MURRAY] are absent by leave of the Senate.

I announce further that on this vote the Senator from West Virginia [Mr. KILGORE] is paired with the Senator from Kansas [Mr. SCHOEPPEL]. If present and voting, the Senator from West Virginia would vote "yea" and the Senator from Kansas would vote "nay."

The result was announced—yeas 19, nays 56, as follows:

YEAS—19

Aiken	Hennings	Neely
Chavez	Hill	Saltonstall
Cordon	Johnston, S. C.	Smith, N. J.
Ellender	Knowland	Thye
Flanders	Langer	Young
Green	McClellan	
Hayden	Millikin	

NAYS—56

Barrett	Hendrickson	Martin
Bennett	Hickenlooper	Maybank
Bricker	Hoey	Monroney
Bush	Holland	Morse
Butler, Md.	Humphrey	Mundt
Byrd	Hunt	Pastore
Carlson	Ives	Payne
Case	Jackson	Potter
Clements	Jenner	Purtell
Daniel	Johnson, Colo.	Robertson
Douglas	Johnson, Tex.	Smathers
Dworshak	Kefauver	Smith, Maine
Ferguson	Kennedy	Smith, N. C.
Frear	Kuchel	Sparkman
Fulbright	Lehman	Stennis
George	Long	Symington
Goldwater	Magnuson	Watkins
Gore	Malone	Williams
Griswold	Mansfield	

NOT VOTING—21

Anderson	Duff	Murray
Beall	Eastland	Russell
Bridges	Gillette	Schoeppel
Butler, Nebr.	Kerr	Taft
Capehart	Kilgore	Tobey
Cooper	McCarran	Welker
Dirksen	McCarthy	Wiley

So the amendment of the committee was rejected.

Mr. DOUGLAS. Mr. President, I offer an amendment and ask that it be stated.

The VICE PRESIDENT. The clerk will state the amendment.

The LEGISLATIVE CLERK. On page 14, line 14, it is proposed to strike out "\$18,000,000" and insert in lieu thereof "\$12,000,000."

Mr. DOUGLAS. By the defeat of the committee amendment and reversion to the House figure in the previous amendment, we have just saved nearly \$6 million.

The amendment which I have now submitted would result in a further saving of \$6 million on the item of "Repair, improvement, and equipment of federally owned buildings outside the District of Columbia."

If we consider the testimony on this item before the Senate and House committees—that is, if we go behind the reports—we find that the proposed increase is apparently primarily to be made in order to improve the lighting facilities in certain post offices. Therefore, it seems to me that this is an overhead item on which we should be able to make a saving.

I am proposing a total reduction of \$6 million from the amount provided in the bill, which would be a cut of \$2 million below the amount available last year.

Mr. President, instead of having more electric lights in post offices, I suggest that we should let the light of our economy so shine before men that they may see our good works and glorify our Father who is in heaven.

Mr. SALTONSTALL. Mr. President, I realize that the reduction just voted in the operating expenses of the General Services Administration appropriation, having the effect of cutting down on space, may have had a great and proper appeal. However, I hope very seriously that Senators will listen to the brief remarks I shall make, because if this amendment prevails, then, in my humble judgment, we simply shall have cut off our own noses.

This item provides for minor and major repairs to all Government buildings. Repairs are divided into minor repairs, costing under \$25,000, and major repairs, costing more than \$25,000. The amount allowed and appropriated last year for minor repairs was \$9,250,000. This year the House reduced the amount to \$9 million, a cut of \$250,000.

Last year \$5 million was allowed for major repairs to all Government buildings—that is, repairs costing more than \$25,000. The House reduced that figure by \$50,000, to \$4,950,000.

In addition to these two items in the bill last year, there was included \$10 million for improving post-office space, the purpose being to try to make post offices more efficient. The pilot experiment is to be at Richmond, Va. Experiments or improvements are contemplated in 12 million square feet of space, of which it is proposed to work on 4 million square feet of space this year.

The House reduced the proposed amount of \$10 million for improving post office space to \$5 million. If we make a cut of \$6 million in this \$18 million item, as the Senator from Illinois has proposed, we will eliminate all opportunity for post office improvement. The Post Office Department is running a deficit of about \$600 million a year, so the reduction proposed by the Senator from Illinois would prevent all opportunity for greater efficiency through the pilot experiment to be conducted in Rich-

mond, Va., and would reduce by an additional \$1 million the appropriation for major and minor improvements to Federal buildings.

I submit that if we are to have Federal buildings, it is necessary to maintain them. This item is for the repair, improvement, and equipment of Federal buildings outside the District of Columbia.

I agree that the last amendment had a great appeal, because it is always possible to reduce the amount of space. But when we begin to cut down on minor and major repairs to buildings, and allow the rain to come through the roof and let boilers get rusty, we are simply cutting off our own noses. If we are to try to improve the efficiency of our post offices, let us make a beginning. The pilot experiment is to be made at Richmond, Va. If the amendment of the Senator from Illinois prevails, and funds for repairs are cut below the amount proposed by the committee—and the amount is lower this year than it was last year—we will eliminate all opportunity for post office improvements.

Mr. DOUGLAS. Mr. President, will the Senator yield for a question?

Mr. SALTONSTALL. I yield.

Mr. DOUGLAS. The Senator has drawn a very doleful picture of conditions in Federal buildings, with the wind and the rain coming it. I think he has stretched the bow too far.

Would the Senator from Massachusetts be willing to agree to a figure which would be the same as that of last year, namely, \$14 million? That would not be a reduction from last year's figure, but would be \$4 million below the committee's figures.

Mr. SALTONSTALL. I could not agree to that.

Mr. DOUGLAS. In other words, is the Senator saying that we must increase expenditures by \$4 million?

Mr. SALTONSTALL. No; I do not say that at all. I say to the Senator from Illinois that included in this item this year is a new matter, the purpose of which is to try to make our post offices and our post-office service more efficient.

We have already reduced the figure from \$10 million to \$5 million, so instead of being able to work in 4 million square feet of space, we shall have to work in 2 million square feet. If the Senator's amendment should prevail, we shall not only have to forego all chance to improve post offices, but we shall have to give up all hope of keeping our buildings in repair.

Mr. DOUGLAS. Mr. President, I ask permission to modify my amendment, so that it will call for a reduction to \$14 million, which would be the same figure as the figure for last year, thus making a saving of \$4 million, instead of a saving of \$6 million, as I originally proposed.

The VICE PRESIDENT. The question is on agreeing to the amendment of the Senator from Illinois as modified.

Mr. DOUGLAS. I ask for the yeas and nays.

The yeas and nays were not ordered.

Mr. DOUGLAS. I ask for a division.

The VICE PRESIDENT. The question is on agreeing to the amendment

to the amendment of the Senator from Illinois as modified.

Mr. SALTONSTALL. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. SALTONSTALL. Do I understand correctly that a vote of "aye" is a vote for the committee amendment, and a vote of "no" is a vote against the committee amendment?

The VICE PRESIDENT. This is not a vote on a committee amendment; it is on the amendment of the Senator from Illinois. A vote in the affirmative is a vote for a cut.

Mr. SALTONSTALL. And a vote for the committee is a negative vote.

The VICE PRESIDENT. A vote for the committee is a negative vote, and a vote in the affirmative is a vote in favor of the cut proposed by the Senator from Illinois.

The Senate proceeded to divide.

The VICE PRESIDENT. The Chair is in doubt. Will Senators in favor of the amendment stand and remain standing until the count is completed?

Mr. LONG. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. LONG. Is it in order to ask for the yeas and nays again?

The VICE PRESIDENT. It may be done by unanimous consent.

Mr. LONG. I ask for the yeas and nays.

The VICE PRESIDENT. Is there objection? The Chair hears none.

Is the demand for the yeas and nays sufficiently seconded?

The yeas and nays were ordered, and the legislative clerk proceeded to call the roll.

Mr. SALTONSTALL. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. SALTONSTALL. Will the Chair please state the question? Is not a vote for the committee a negative vote, just the opposite of the situation in connection with the previous vote? A vote for the amendment of the Senator from Illinois is an affirmative vote, is it not?

The VICE PRESIDENT. The understanding of the Senator from Massachusetts is correct. Senators desiring to support the committee will vote in the negative. Senators who desire to support the Senator from Illinois in making a cut of the amount recommended by him will vote in the affirmative.

Mr. DOUGLAS. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. DOUGLAS. Would it not be better to state the question in a more impersonal form? The controversy is not a personal one between the committee and the Senator from Illinois. I am sure that I would never win any popularity contest on that basis. Is not the issue this: An affirmative vote is a vote for a cut of \$4 million, and a negative vote is a vote to maintain the figure of \$18 million.

The VICE PRESIDENT. That is another way of stating the question.

Mr. DOUGLAS. And a more accurate and impersonal way.

Mr. SALTONSTALL. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. SALTONSTALL. May I state the question in an equally impersonal way? Is not a vote in favor of a reduction of \$4 million a vote to cut down the improvement and repairs to buildings?

The VICE PRESIDENT. The Chair thinks the statements have now gone beyond the point of parliamentary inquiries. The roll call will proceed.

The legislative clerk resumed and concluded the call of the roll.

Mr. SALTONSTALL. I announce that the Senator from New Hampshire [Mr. BRIDGES] and the Senator from Idaho [Mr. WELKER] are absent by leave of the Senate. If present and voting, the Senator from Idaho would vote "yea."

The Senator from Indiana [Mr. CAPEHART] is absent on official committee business of the Senate. The Senator from Kentucky [Mr. COOPER] and the Senator from New Hampshire [Mr. TOBEY] are absent on official business. If present and voting the Senator from New Hampshire would vote "yea."

I further announce that the Senator from Maryland [Mr. BEALL], the Senator from Nebraska [Mr. BUTLER], the Senator from Illinois [Mr. DIRKSEN], the Senator from Pennsylvania [Mr. DUFF], the Senator from Wisconsin [Mr. MCCARTHY], the Senator from Kansas [Mr. SCHOEPEL], and the Senator from Ohio [Mr. TAFT] are all necessarily absent. If present and voting, the Senator from Wisconsin would vote "yea."

On this vote the Senator from Kansas [Mr. SCHOEPEL] is paired with the Senator from West Virginia [Mr. KILGORE]. If present and voting, the Senator from Kansas would vote "yea," and the Senator from West Virginia would vote "nay."

Mr. CLEMENTS. I announce that the Senator from New Mexico [Mr. ANDERSON], the Senator from Mississippi [Mr. EASTLAND], the Senator from Iowa [Mr. GILLETTE], and the Senators from Oklahoma [Mr. KERR and Mr. MONROE] are absent on official business.

The Senator from West Virginia [Mr. KILGORE] and the Senator from Georgia [Mr. RUSSELL] are necessarily absent.

The Senator from Nevada [Mr. MCCARRAN] and the Senator from Montana [Mr. MURRAY] are absent by leave of the Senate.

I announce further that on this vote the Senator from West Virginia [Mr. KILGORE] is paired with the Senator from Kansas [Mr. SCHOEPEL]. If present and voting, the Senator from West Virginia would vote "nay," and the Senator from Kansas would vote "yea."

The result was announced—yeas 39, nays 36, as follows:

YEAS—39

Aiken	Butler, Md.	Douglas
Barrett	Byrd	Dworshak
Bennett	Case	Ferguson
Bricker	Daniel	Frear

George	Kuchel	Pastore
Goldwater	Lehman	Payne
Griswold	Long	Potter
Hendrickson	Malone	Robertson
Hickenlooper	Mansfield	Smith, Maine
Hunt	Martin	Stennis
Jackson	Millikin	Thye
Jenner	Morse	Watkins
Kennedy	Mundt	Williams

NAYS—36

Bush	Hill	Maybank
Carlson	Hoey	McClellan
Chavez	Holland	Neely
Clements	Humphrey	Purtell
Cordon	Ives	Saltonstall
Ellender	Johnson, Colo.	Smathers
Flanders	Johnson, Tex.	Smith, N. J.
Fulbright	Johnston, S. C.	Smith, N. C.
Gore	Kefauver	Sparkman
Green	Knowland	Symington
Hayden	Langer	Wiley
Hennings	Magnuson	Young

NOT VOTING—21

Anderson	Duff	Monroney
Beall	Eastland	Murray
Bridges	Gillette	Russell
Butler, Nebr.	Kerr	Schoeppel
Capehart	Kilgore	Taft
Cooper	McCarran	Tobey
Dirksen	McCarthy	Welker

So Mr. DOUGLAS' amendment was agreed to.

Mr. DOUGLAS. Mr. President, I send another amendment to the desk and ask that it be stated.

The VICE PRESIDENT. The clerk will state the amendment.

The CHIEF CLERK. On page 14, line 17, strike out "\$3,000,000."

Mr. DOUGLAS. Mr. President, this amendment would save \$3 million. The item represents an amount set up for the establishment of a revolving fund to facilitate operations in connection with building management conducted by the General Services Administration, namely, restaurants and cafeterias.

I believe all of us have serious doubts about the value of revolving funds, which represent a method of eliminating congressional review of agency expenditures.

Even if such a revolving fund should be established I would suggest the money come from other amounts which the agency may have or from the profits of the restaurant and cafeteria operations themselves. It would seem to me that at least the item could be postponed, and thereby we could save an additional \$3 million in the appropriation bill.

Mr. SALTONSTALL. Mr. President, on July 12, 1952, Congress passed a law, which is known as Public Law 522, to authorize a building-management fund of \$10 million, as working capital or revolving fund.

On January 13 of this year President Truman requested \$3 million for this revolving fund. The revised estimate of the Eisenhower Administration was for \$6 million. The House appropriated \$3 million. The committee agreed with the action of the House.

These funds are provided for the purpose of achieving economy and efficiency. No money is gained or lost. I believe money will be gained if we provide this fund, because its purpose is to put building-management money in one fund.

If a door or wall is changed in a building, or a new curtain is put up, the cost is charged to the fund and then charged to the department involved. It is a method of simplified bookkeeping. Congress thought well enough of it last year

to make provision for it. We are trying to create a \$3 million revolving fund to permit the General Services Administration to operate more efficiently in an ordinary building management operation. We all know that if there are, let us say, 50 offices in a building and each office operates itself, we will not have as efficient an operation as if we have 1 building management to operate all the offices and take care of all expenses and minor changes and alterations.

There would be no saving by cutting out the item. By doing so we would be merely postponing putting into effect a law which was passed by Congress in July of last year to make the operations more efficient.

I hope the Senate will reject the amendment.

Mr. FERGUSON. Mr. President, I merely wish to say that the House made this statement:

It is emphasized that the appropriation of this fund does not result in any expenditures to the Government that adversely affect efforts to balance the budget.

Therefore, I shall vote against striking out the amount of money referred to.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Illinois [Mr. DOUGLAS].

Mr. DOUGLAS. I ask for a division. On a division, the amendment was rejected.

The VICE PRESIDENT. The bill is open to further amendment.

Mr. WATKINS. Mr. President, I send an amendment to the desk and ask to have it stated.

The VICE PRESIDENT. The clerk will state the amendment.

The CHIEF CLERK. On page 36, line 15, it is proposed to strike out "\$100" and to insert in lieu thereof "\$500."

Mr. WATKINS. I may say that the amendment would not increase the expenditures by one dime for the Subversive Activities Control Board. It would merely permit them to spend out of funds authorized in the appropriation bill \$500 for newspapers, instead of \$100. It would bring the Board in line with what was granted to the Securities and Exchange Commission. I hope the chairman will accept the amendment.

Mr. SALTONSTALL. I shall be glad to accept the amendment and take it to conference. The original estimate was \$500. The revised budget estimate was \$300. This is the only item on which we have accepted an amendment without debate increasing the revised budget figure. I am willing to take the amendment to conference and shall try to work it out, so the board may buy the newspapers it needs.

The VICE PRESIDENT. The question is on agreeing to the amendment of the Senator from Utah [Mr. WATKINS].

The amendment was agreed to.

Mr. DWORSHAK. Mr. President, I send an amendment to the desk and ask that it be stated.

The VICE PRESIDENT. The clerk will state the amendment.

The CHIEF CLERK. On page 23, line 14, it is proposed to strike out "\$9,000,000" and to insert in lieu thereof "\$8,000,000."

Mr. DWORSHAK. Mr. President, the object of the amendment is to eliminate \$1 million, which is the excess over the amount appropriated for this purpose for the present fiscal year. There are no additional duties of any kind required under the Public Housing Administration program, and I see no reason for adding \$1 million for administrative expenses of the Public Housing Administration at this time.

Therefore, the agency should be able to carry on its functions in an efficient manner with \$8 million which was the amount appropriated for that purpose during the current fiscal year.

Mr. SALTONSTALL. Mr. President, I respectfully call the attention of the Senate to these facts:

This item is in relation to the public-housing program. Last year the development activity called for \$4,500,000. This year the development activity calls for \$4,520,000, or almost the same amount. The difference relates to the management activity. Last year \$3,500,000 was provided. This year the amount recommended by the Senate committee is \$4,480,000. I call the attention of the Senate to the fact that the reason for the increase is that there are 35,000 more houses to manage. If we reduce the amount allowed for management, there will be no way to manage the houses which already have been built or the houses which are to be built.

Mr. DWORSHAK. Mr. President, will the Senator from Massachusetts yield for a question?

Mr. SALTONSTALL. I yield.

Mr. DWORSHAK. Is it not true that only 35,000 units were authorized to be constructed during the current year, and that at the present time the bill provides for an appropriation for the construction of 35,000 units this year?

Mr. SALTONSTALL. That is correct; but it is also necessary to manage the 35,000 units which were built last year.

Mr. DWORSHAK. Does not the Senator from Massachusetts think it would be possible to do that with the amount of money which was appropriated for the current year?

Mr. SALTONSTALL. We already have cut the amount \$600,000 under what the public building management, through Mr. Cole, states is the correct amount; and the amendment of the Senator from Idaho to the committee amendment would reduce that amount by an additional \$1 million, and would make it impossible to manage the houses.

Mr. FERGUSON. Mr. President, will the Senator from Massachusetts yield for a question?

Mr. SALTONSTALL. I yield.

Mr. FERGUSON. What percentage of the rent does the amount for management represent?

Mr. SALTONSTALL. Let me reply by saying that the units under management at the end of 1952 were 230,000-plus; and in the fiscal year 1953, they were 312,000-plus; and in the fiscal year 1954, it is estimated they will be 390,000-plus.

As I understand, management includes adjustments of rent, collection of rent, and upkeep of the buildings and all that goes with their upkeep.

Mr. FERGUSON. My question is what percentage of the rent does the management fee represent?

Mr. SALTONSTALL. I cannot answer the question, because the rents are in different amounts, and I do not think we have that figure.

Mr. FERGUSON. How much is the amount a year for each unit in the case of the units we are proposing to add? I understand that under the present administration the management was to be more efficient and better. In this case an additional amount is proposed, and I wish to find out how much it will be per unit.

Mr. SALTONSTALL. One way of answering the question, although it may not be a direct answer, is to say that if the amendment to the committee amendment is adopted, it will allow nothing at all for management of the new units; in fact, less than nothing will be allowed for their management.

Mr. FERGUSON. Mr. President, will the Senator from Massachusetts yield, in order that I may ask the distinguished author of the amendment whether he knows the amount?

Mr. SALTONSTALL. I yield.

Mr. FERGUSON. Let me ask the Senator from Idaho whether he knows how much should be allowed per unit for management of the new houses; or does the Senator claim that the efficiency of the new administration's management will make it possible for the additional 35,000 units to be managed for the same amount as was provided last year?

Mr. DWORSHAK. I certainly think that under the new program for greater efficiency and economy, it should be possible for the Public Housing Administration, through its administrative expenses, to accomplish during the coming year additional work, as compared with the current year.

The same number of units of public housing—namely, 35,000—are requested for the coming year. I admit that a slight additional load may be placed upon the Public Housing Administration, but certainly we can ask that Administration to cooperate by reducing its personnel and by obtaining greater efficiency in the administration of this program.

Mr. DOUGLAS. Mr. President, as I said in a statement issued earlier this week, I had intended to offer the amendment the Senator from Idaho has offered to the committee amendment. Now that he has offered it instead, of course I am very glad to support it.

I think my colleagues know that I have always been, and still am, a very strong advocate of public housing, because I think it is very much needed in the cities, as the slums are cleared. Poor people displaced by slum clearance and superhighways need public housing if they are not Ishmaels or by overcrowding create slums elsewhere.

However, the substantive features of the public-housing program are very different from the administrative overhead of the bureaucracy which administers the system. We shall not be sacrificing the principle of public housing if we

insist upon economies in its administration.

Therefore, I shall support the amendment.

Mr. SALTONSTALL. Mr. President, in reply to the Senator from Illinois, and also perhaps in reply to the Senator from Michigan, I simply wish to say that the amendment will cut down the development of the activity. In this bill, funds for 35,000 additional housing units are provided. If the appropriation is reduced by adopting the amendment of the Senator from Idaho to the committee amendment the result will be that funds sufficient to develop less than 15,000 of the 35,000 units will be provided. If Senators favor the development of only 15,000 units, then such Senators should vote for the amendment of the Senator from Idaho to the Committee amendment. But if Senators favor the development of 35,000 housing units and if they believe that provision for funds for 35,000 housing units should be taken to conference, then Senators should vote for the necessary development funds.

Mr. FERGUSON. Mr. President, will the Senator from Massachusetts yield further to me?

Mr. SALTONSTALL. I yield.

Mr. FERGUSON. My difficulty is that the House version of the bill provides for approximately \$10 a year a unit, whereas the Senate committee's figure, as now proposed, would allow almost \$20 a unit a year, or almost double the amount a unit voted by the House of Representatives. I cannot understand why, in the name of economy and efficiency, we should vote to double the amount.

Mr. SALTONSTALL. Because the House of Representatives allowed for no units whatsoever, and the Senate is allowing funds for 35,000 units.

Mr. DWORSHAK. Mr. President, will the Senator from Massachusetts yield to me for a question?

Mr. SALTONSTALL. I yield.

Mr. DWORSHAK. Is it not true that the House version of the bill provides for no additional housing units during the coming year, whereas the Senate version of the bill provides funds for 35,000 housing units, and the Senate provision will go to conference, and it is likely that at the conference a reduction will be decided upon?

Mr. SALTONSTALL. I agree that funds for 35,000 units are provided by the Senate version of the bill, and no housing units are provided by the House version of the bill. The House version of the bill does not provide any funds for development activity. In the Senate version of the bill there is provision of funds for the development of 35,000 houses, based on the figures of the Public Housing Administration.

If the amendment of the Senator from Idaho to the committee amendment is adopted, the Senate version of the bill will provide funds sufficient for the development of less than 15,000 houses.

Mr. DWORSHAK. Does the Senator from Massachusetts agree that there will be less need for administrative funds if in conference it is decided that less than 35,000 houses will be provided?

Mr. SALTONSTALL. That is correct. However, I think the figures should be in proportion to one another. If in conference, provision is made for 15,000 houses, instead of 35,000 houses, then the funds needed for development purposes should be sufficient for 15,000 houses. On the other hand, the Senate should not vote for funds sufficient to provide 35,000 houses and also vote for funds sufficient for the development of only 15,000 houses. Such a procedure would be hypocritical.

Mr. DWORSHAK. Mr. President, I ask for the yeas and nays, on the question of agreeing to my amendment to the committee amendment.

The yeas and nays were ordered.

The VICE PRESIDENT. The question is on agreeing to the amendment of the Senator from Idaho to the committee amendment on page 23, in line 14. On this question the yeas have been ordered, and the Secretary will call the roll.

Mr. SALTONSTALL. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator from Massachusetts will state it.

Mr. SALTONSTALL. Do I correctly understand that a vote "nay" will be a vote to support the committee? Is that correct?

The VICE PRESIDENT. A vote "nay" will be a vote in favor of the amount recommended by the committee.

Mr. MAYBANK. Mr. President, will the Senator from Massachusetts yield to me?

Mr. SALTONSTALL. I yield.

Mr. MAYBANK. A vote "nay" will be a vote to support the committee and will be a vote in favor of 35,000 houses, because the money cannot be separated from the houses. [Laughter.]

Mr. DWORSHAK. Mr. President, I rise to a point of order.

Mr. MAYBANK. Mr. President, I ask the Senator from Idaho to wait 1 second, please. I am on the committee, and I am asking the Senator from Massachusetts a question.

Mr. President, I demand order. I am speaking to the chairman of the subcommittee.

We went all through this matter, and we figured that it would cost so much money to have 35,000 additional houses, so much money to have 25,000 additional houses, and so much money to have 15,000 additional houses.

In the case of the housing project, I am perfectly willing to vote on the question of whether 25,000 houses shall be provided for or whether 10,000 houses shall be allowed for.

Mr. DWORSHAK. Mr. President, I rise to the point of order that the call of the roll has been ordered.

The VICE PRESIDENT. The Chair informs the Senator from Idaho that debate is still in order, because no Senator has yet voted.

Mr. MAYBANK. Mr. President, I appreciate the statement by the Chair, because I know the rules of the Senate.

Again I ask the Senator from Massachusetts this question: The cut of \$1 million, as proposed by the amendment of the Senator from Idaho to the com-

mittee amendment, will not be a cut in funds, but will be a cut in housing projects; is that correct?

Mr. SALTONSTALL. That is correct.

Mr. MAYBANK. I thank the Senator.

Mr. SALTONSTALL. Again I say that if the Senate votes funds for the construction of 35,000 houses, the Senate should also appropriate sufficient funds for their development.

Mr. MAYBANK. Mr. President, Senators who do not want 35,000 houses developed should vote for the amendment of the Senator from Idaho to the committee amendment.

On the other hand, Senators who wish to have 35,000 houses developed should vote for the committee amendment. Is that correct?

Mr. SALTONSTALL. That is correct.

Mr. DOUGLAS. Mr. President, I must protest against what my good friend from South Carolina has said. What he is saying is that every house must bear on its back a corresponding share of the Federal bureaucracy.

Mr. MAYBANK. Mr. President, if the Senator from Illinois will yield, he well knows that I supported the housing program purely on the basis of States' rights—or cities' rights. Under city ordinances no public housing can be built; it must be built under the Public Housing Administration, unless it be in the city of Los Angeles, about which the distinguished Vice President knows, or unless it be in the city of Chicago. The Public Housing Administration determines in the case of each housing unit whether it is to be built. This does not represent Federal bureaucracy. The distinguished Senator once referred to Chicago, by mistake, when the matter of public housing was before the Senate. I speak facetiously. But the Senator well knows that no public housing development can be had, unless it be in Chicago or in some other city or town in Illinois, such as Springfield, where the city or town approves it, asks for it, and appropriates money for it.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. DOUGLAS. No, I should like to finish this discussion, if I may, since I feel myself compassed about with irritants. Mr. President, I am for the maintenance of the 35,000 units of public housing, and I hope the conference committee will stand like a rock against any reduction in that number. But the idea that we must provide \$9 million for the Federal Government with which to administer the public-housing program is something else again, because the administration, as a matter of fact, should be conducted locally, and the Federal Government should have a minimum of auditing and supervising work to do.

Mr. MAYBANK. That is the law.

Mr. DOUGLAS. What my good friend from South Carolina is trying to do—and we all love him dearly—is to whipsaw me into a place where, if I vote for this reduction in an appropriation for the administrative bureaucracy, it will be said to be a vote for a reduction in public housing; and I am not going to let him do that, because I think

there is a million dollars worth of slack in the administration.

Mr. MAYBANK. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield to the Senator from South Carolina.

Mr. MAYBANK. That is exactly what my distinguished friend, who had so much to do with public housing, is going to do if he votes for this.

Mr. DOUGLAS. No, I do not think that is correct. I do not think that is true. If the conferees will stand firm and if the administration will help, we can save the 35,000 units.

The VICE PRESIDENT. The question is on agreeing to the amendment of the Senator from Idaho [Mr. DWORSHAK]. The yeas and nays having been ordered, the clerk will call the roll.

The legislative clerk called the roll.

Mr. SALTONSTALL. I announce that the Senator from New Hampshire [Mr. BRIDGES] and the Senator from Idaho [Mr. WELKER] are absent by leave of the Senate. If present and voting, the Senator from Idaho would vote "yea."

The Senator from Indiana [Mr. CAPEHART] is absent on official committee business.

The Senator from Kentucky [Mr. COOPER] and the Senator from New Hampshire [Mr. TOBEY] are absent on official business. If present and voting, the Senator from New Hampshire would vote "nay."

I also announce that the Senator from Maryland [Mr. BEALL], the Senator from Nebraska [Mr. BUTLER], the Senator from Illinois [Mr. DIRKSEN], the Senator from Pennsylvania [Mr. DUFF], the Senator from Wisconsin [Mr. MCCARTHY], the Senator from Kansas [Mr. SCHOEPEL], and the Senator from Ohio [Mr. TAFT] are necessarily absent. If present and voting the Senator from Wisconsin would vote "yea."

Mr. CLEMENTS. I announce that the Senator from New Mexico [Mr. ANDERSON], the Senators from Virginia [Mr. BYRD and Mr. ROBERTSON], the Senator from New Mexico [Mr. CHAVEZ], the Senator from Mississippi [Mr. EASTLAND], the Senator from Iowa [Mr. GILLETTE], and the Senators from Oklahoma [Mr. KERR and Mr. MONRONEY] are absent on official business.

The Senator from West Virginia [Mr. KILGORE] and the Senator from Georgia [Mr. RUSSELL] are necessarily absent.

The Senator from Nevada [Mr. MCCARRAN] and the Senator from Montana [Mr. MURRAY] are absent by leave of the Senate.

I announce further, that if present and voting, the Senator from Oklahoma [Mr. KERR], the Senator from West Virginia [Mr. KILGORE], and the Senator from Montana [Mr. MURRAY] would each vote "nay."

The result was announced—yeas 38, nays 34, as follows:

YEAS—38

Barrett	George	Kennedy
Bennett	Goldwater	Kuchel
Bricker	Gore	Langer
Butler, Md.	Griswold	Long
Case	Hendrickson	Malone
Daniel	Hickenlooper	Martin
Douglas	Hoyer	McClellan
Dworshak	Hunt	Millikin
Ferguson	Jenner	Morse

Mundt
Payne
Potter
Purtell

Smathers
Smith, Maine
Smith, N. C.
Stennis

Watkins
Williams
Young

NAYS—34

Aiken
Bush
Carlson
Clements
Cordon
Ellender
Flanders
Frear
Fulbright
Green
Hayden
Hennings

Hill
Holland
Humphrey
Ives
Jackson
Johnson, Colo.
Johnson, Tex.
Johnston, S. C.
Kefauver
Knowland
Lehman
Magnuson

Mansfield
Maybank
Neely
Pastore
Saltonstall
Smith, N. J.
Sparkman
Symington
Thye
Wiley

NOT VOTING—24

Anderson
Beall
Bridges
Butler, Nebr.
Byrd
Capehart
Chavez
Cooper

Dirksen
Duff
Eastland
Gillette
Kerr
Kilgore
McCarran
McCarthy

Monroney
Murray
Robertson
Russell
Schoeppel
Taft
Tobey
Welker

So Mr. DWORSHAK's amendment to the committee amendment was agreed to.

The question now recurs on agreeing to the committee amendment, as amended.

The amendment, as amended, was agreed to.

Mr. SPARKMAN. Mr. President, I had hoped that an amendment might be offered on pages 26 and 27 of the bill. I do not propose to offer one, but I should like to address a question to the chairman of the subcommittee handling the bill and also to the distinguished Senator from California [Mr. KNOWLAND], the acting majority leader.

I refer particularly to the committee amendment which seeks to deal with the situation which we considered on the Senate floor 2 or 3 times in the past. I had hoped that last year we had arrived at a satisfactory solution, but, apparently, it was not satisfactory. I am speaking of the difficult problem which has arisen in the city of Los Angeles with reference to the public housing project there.

The House provision on page 26, beginning in line 22, was stricken out, and new language was put in by the Senate committee, commencing on page 27, at line 5.

Mr. President, I have examined the proviso, and while it may clear up the Los Angeles situation in a satisfactory manner, it seems to me it is very far reaching in its effects, far beyond the Los Angeles situation, and, in fact, it may very well slow down the entire public housing program and make it much more costly, because it is provided that if action is taken to reject a project, no funds may be obtainable for 180 days, which would mean that if a contractor is on the ground, he will be held up for 6 months. I suppose he is bound to include in his figures a sufficient amount to protect him adequately against such a situation.

I am not offering any criticism of the amendment. My understanding is that the language was requested of the Housing and Home Finance Agency, and this language was supplied by that agency.

Mr. KNOWLAND. Mr. President, I will say to the distinguished Senator from Alabama that when that language was added in the House, apparently the

representatives of the agency had testified before the House committee and had also testified before the Senate committee, pointing out that they felt the House language was a little too restrictive. Personally, I had prepared other language, but they felt that was also more restrictive than they would like to see it. So my office requested, under those circumstances, that the agency prepare language which it felt was workable. By that I do not mean that the agency is enthusiastically for it—I do not want to convey that impression—but they did prepare this language and forwarded it to me on the basis that if, as a matter of policy, language was to be added to the bill in conference, they felt they would be able to work under this language, whereas they felt that both the House language and the language I had personally prepared might handicap them to too great an extent.

So, with that as a basis—and I certainly do not want to do anything which would needlessly handicap them—I agreed to take this language, and it was put into the bill by the committee.

Of course, Mr. President, the matter will be in conference, but what we were trying to reach was the situation which was discussed on the floor of the House and of the Senate this year and last year, that where a local community, by the votes of the people and by the votes of their own representatives, had determined that they did not want to proceed with a public-housing project, under our democratic process, local home rule, and States' rights, they would have an opportunity so to express themselves and could discontinue, providing the Federal Government had returned to it the costs so there would be no burden upon the Government.

Mr. SPARKMAN. Mr. President, I am very glad the Senator from California has made that statement. Of course, I am not a member of the subcommittee, but it has been my understanding that the Senator from California has been most cooperative in trying to work out the program. Previously, when the subject has been considered on the floor of the Senate, the Senator from California has always been very cooperative. We want to work it out so that the result will be fair in this particular instance to the city of Los Angeles, and also fair to the Public Housing Administration and to the people of the United States.

It is my understanding that, after studying the bill further, the housing administration has come to the conclusion that the language would impede and impair the housing program, and I understand they are willing to suggest other language in lieu of this language, simply looking toward a solution of the particular problem, without impeding or impairing the program as a whole and building up costs, as I am afraid this language would do.

As I stated in the beginning, I shall not offer an amendment, because, as I understand the rules of both the House and the Senate, the question will be wide open when the conferees meet, because the Senate has stricken out the language of the House bill and has written new language. Therefore it is certainly left

wide open for whatever language may be substituted.

Mr. President, I should like to insert in the RECORD a memorandum which was submitted to the clerk of the Appropriations Committee on May 15, 1953, signed by Mr. B. T. Fitzpatrick, Deputy Administrator and General Counsel. In his statement he says he consulted with the Administrator, and this memorandum is submitted in keeping with the wishes of the Administrator.

Mr. KNOWLAND. Mr. President, I have no objection to the distinguished Senator inserting the memorandum in the RECORD with the suggested language by the Administrator, but I would not want any implication to be drawn therefrom that either the Senator from California, or the Senate, for that matter, is approving the language of the Administrator, because I think this is a legislative policy matter which, after all, is in the hands of the Congress. Of course, we are entitled to have the judgment of the Administrator, but this job is not the Administrator's job.

Mr. SPARKMAN. I agree completely with the Senator from California. My purpose is not so much to have the language in the RECORD, except as a suggestion, as it is to have in the RECORD a statement which points out the difficulty of the amendment as it is worded at present. It is my hope that when the members of the conference committee sit down together, they may consider what the Administrator has said in this memorandum and may be able to write new language, which will do the job that all of us wish to have done, without crippling the program as a whole.

Mr. KNOWLAND. That is correct. I would merely add one word, because I do not have before me the language the Senator is submitting. I might say that, without crippling the program, we were trying to provide that when a local community, by democratic process or through its own representative government, has made a declaration of policy, its views and wishes should not be completely ignored.

Mr. SPARKMAN. I understand that. Mr. President, I ask unanimous consent that the memorandum be included as a part of my statement.

There being no objection, the memorandum was ordered to be printed in the RECORD, as follows:

A question has been raised as to whether the Administrator has recommended the language of the proviso beginning on line 22 of page 24 and ending on line 6 of page 26 of H. R. 4663, as reported by the Senate Committee on Appropriations.

While this office drafted the language of the proviso as a service to an interested Senator after ascertaining the type of amendment which the Senator desired to offer, and the language as drafted was discussed with the Administrator, the Administrator did not feel that he could recommend its adoption and did not do so, primarily because he felt that it would materially increase the costs of all projects constructed in the future. Under the language of the proviso, after a city council approves a low-rent housing project and the local housing authority, in reliance on that approval, has awarded to a private company a contract for the construction of a project, the city council would be permitted to reverse its previous approval,

and, for a period of not less than 180 days make it impossible for the local housing authority to obtain the funds which it would be required to pay its contractor. Under such circumstances, no contractor would enter a bid for the construction of any low-rent public-housing project without including in his bid a sum which he believes sufficient to compensate him for any expenses or losses he may sustain as a result of action which can be taken under this particular proviso. This would greatly increase the costs of all projects.

The Administrator recommended against including a similar proviso contained in the House bill, stating:

"I want to state very plainly about this proposed language that this proviso appears on its face to be a legislative instruction to the Agency to stop any local program in its tracks in the event there is at any time an adverse local vote through some formal procedure, whether by referendum or action of a local governing body, without any regard to any other provision of law or of contracts that may be in force.

"In the case of a project actually under construction, pursuant to an annual contributions contract, we would be directed to cease advancing funds and breach the contract, leaving to the courts adjudication of such matters as damages and the requirements of performance on the contract. I do not agree with that course of action on the part of the Government. However, that is what the language plainly says, and that is what we will do if it is enacted into law and invoked by circumstances." (Hearings before the Subcommittee of the Committee on Appropriations of the United States Senate, p. 465.)

Since the question as to the official position of the Agency was raised, I discussed the matter by telephone with the Administrator this morning and he has authorized me to say that he is still of the opinion, as indicated in his testimony before the subcommittee, that no such language should be included, but that if some language is to be included he feels the fair and proper thing to do is to require provision for full reimbursement of funds previously advanced under a valid contract before contractual commitments are stopped, and that the following language would accomplish that purpose:

"Provided further, That, in any case where the Public Housing Administration (after the approvals on the part of the governing body of the locality required by law) has entered into a financial assistance contract with a local housing authority covering a low-rent housing project to be constructed in such locality, and (1) the people of that locality, by vote of the governing body of the locality, or by official referendum or other official public vote, have thereafter indicated that they do not want such low-rent housing project constructed in such locality, and (2) the governing body of such locality has either repaid, or has negotiated and entered into valid and binding contracts to repay, the moneys advanced or guaranteed by the Public Housing Administration under such financial assistance contract, together with any additional sums which the local housing authority or the Public Housing Administration would be obligated or liable to pay to secure releases from obligations incurred in connection with such project by the local housing authority or the Public Housing Administration pursuant to such financial assistance contract, then, in such case, the Public Housing Administration shall cancel such financial assistance contract in respect to such low-rent housing project."

B. T. FITZPATRICK,
Deputy Administrator and General
Counsel.

The VICE PRESIDENT. The bill is open to further amendment.

If there be no further amendment to be proposed, the question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill (H. R. 4663) was read the third time and passed.

Mr. SALTONSTALL. Mr. President, I move that the Senate insist upon its amendments, request a conference with the House thereon, and that the Chair appoint conferees on the part of the Senate.

The motion was agreed to; and the Chair appointed Mr. SALTONSTALL, Mr. BRIDGES, Mr. FERGUSON, Mr. CORDON, Mr. MAYBANK, Mr. HILL, and Mr. ELLENDER conferees on the part of the Senate.

INCREASED MEMBERSHIP OF COMMITTEES ON ARMED SERVICES AND LABOR AND PUBLIC WELFARE

Mr. KNOWLAND. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 141, Senate Resolution 32.

The VICE PRESIDENT. The clerk will state the resolution by title.

The LEGISLATIVE CLERK. A resolution (S. Res. 32) temporarily increasing the membership of the Committees on Armed Services and Labor and Public Welfare, reported adversely.

The VICE PRESIDENT. The question is on agreeing to the motion of the Senator from California.

Mr. KNOWLAND. Mr. President, I should like to make an explanation to the Members of the Senate.

If the Senate agrees to the motion of the acting majority leader that the resolution be the unfinished business, it is then proposed, following the speech to be made by the junior Senator from Massachusetts [Mr. KENNEDY], and following any insertions Senators may wish to make in the RECORD, to adjourn until tomorrow, when we shall have a morning hour, followed by a call of the calendar. At the conclusion of the calendar call tomorrow, it is the purpose of the leadership to recess until Monday. On Monday the resolution to which I have just referred would be the unfinished business of the Senate.

I might say that a number of important committees are meeting at present, and Senators are finding it very difficult to be in 2 or 3 different places at the same time. The Committee on Appropriations, the Committee on Foreign Relations, and a number of other committees are holding important sessions, so it was thought that by allowing committees to meet on Friday without a conflict of business on the Senate floor, committee work might be expedited.

The call of the calendar will begin where it was concluded at the last call of the calendar.

Mr. MORSE rose.

Mr. KNOWLAND. Mr. President, I am glad to yield to the Senator from Oregon.

Mr. MORSE. Mr. President, it had been my hope that Senate Resolution 32 would be called up a week from today,

but I feel I have no right to request that its consideration be postponed further, especially in view of the fact that for many weeks I have been asking for action on it. It happens that Monday will be a somewhat inconvenient day for some of the supporters of the resolution. Nevertheless, the majority leader has been very cooperative with me in regard to the matter and apparently feels that next Monday is the day on which he, as majority leader, should ask for action on the resolution.

The majority leader has accommodated me this week in regard to the matter because he, too, is aware of the fact that certain conferences are being held among different Senators in an endeavor to see if an equitable and fair solution of the problem can be worked out. So I do not believe it would be proper for me to object, as I might otherwise be inclined to do, since I should have preferred a later date.

I simply wish to say to my friends in the Senate who have pledged me their assistance on the resolution that I hope they will be present next Monday.

To Senators who have not given very much study to the matter, I simply say that I believe a study of the record on the resolution will result in its adoption.

The VICE PRESIDENT. The question is on agreeing to the motion of the Senator from California.

The motion was agreed to; and the Senate proceeded to consider the resolution, which had been reported adversely by the Committee on Rules and Administration.

TAX RECOMMENDATIONS — MESSAGE FROM THE PRESIDENT (H. DOC. NO. 146)

The VICE PRESIDENT. The Chair lays before the Senate a message from the President of the United States making certain tax recommendations. As the message was read in the House of Representatives today, it will be printed in the Senate proceedings of the RECORD and appropriately referred.

The message was referred to the Committee on Finance.

(For text of President's message, see House proceedings for today.)

MESSAGE FROM THE HOUSE — ENROLLED BILLS SIGNED

A message from the House of Representatives, by Mr. Bartlett, one of its clerks, announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the Vice President:

S. 166. An act for the relief of Sister Louise Marie Josephine Belloir;

S. 167. An act for the relief of Sister Jeanne Maria Henneth Langlo;

S. 193. An act for the relief of Toni Anne Simmons (Hitomi Urasaki);

S. 207. An act for the relief of Jimmy Okuda;

S. 371. An act for the relief of Georgia Andrews;

S. 709. An act to give proper recognition to the distinguished service of Col. J. Claude Kimbrough;

S. 837. An act for the relief of Eugene Rivoche and Marie Barsky;

S. 1524. An act to authorize the Secretary of the Navy to furnish certain supplies and services to foreign naval vessels on a reimbursable basis, and for other purposes;

S. 1525. An act to authorize the Secretary of the Navy to convey to the Tarrant County Water Control and Improvement District No. 1 certain parcels of land in exchange for other lands and interests therein at the former United States Marine Corps Air Station, Eagle Mountain Lake, Tex.;

S. 1527. An act to amend section 40b of the National Defense Act, as amended (41 Stat. 759, 777), to remove the limitation upon the detail of officers on the active list for recruiting service and for duty with ROTC units;

S. 1528. An act to continue in effect certain appointments as officers and as warrant officers of the Army and of the Air Force;

S. 1530. An act to amend the Army-Navy Nurses Act of 1947 to authorize the appointment in the grade of first lieutenant of nurses and medical specialists in the Regular Army and Regular Air Force, and appointment with rank of lieutenant (junior grade) of nurses in the Regular Navy;

S. 1546. An act to amend the act authorizing the Secretary of War to approve a standard design for a service flag and service lapel button;

S. 1547. An act to authorize payment for the transportation of household effects of certain naval personnel;

S. 1549. An act to retrocede to the State of Virginia concurrent jurisdiction over certain highways within Fort Belvoir, Va.; and

S. 1641. An act to retrocede to the State of Oklahoma concurrent jurisdiction over the right-of-way for United States Highways 62 and 277 within the Fort Sill Military Reservation, Okla.

WILLIAM MALONE BASKERVILL

Mr. BUTLER of Maryland. Mr. President, with the death of my very dear friend, William Malone Baskervill, editor and publisher of the Baltimore News-Post and the Sunday American, the great American free press has lost one of its most outstanding leaders.

Long associated with the Hearst Enterprises, and one of Mr. William Randolph Hearst's business and personal advisers, Mr. Baskervill was a man of great acumen and sincere honesty. His career as a newspaperman has been truly significant by reason of his keen ability to interpret the news with great clarity and impact.

His career and his accomplishments will always serve as a model of effective journalism in the finest tradition of the profession. The people of the State of Maryland will feel his passing deeply.

Mr. President, I ask unanimous consent to have printed in the body of the RECORD an editorial entitled "William Malone Baskervill" and published in the Baltimore Sun of May 20, 1953.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

WILLIAM MALONE BASKERVILL

The "Hearst Empire," as it was customary to call the elaborate structure of newspapers, magazines, and other enterprises dominated by the late William Randolph Hearst, provided opportunities for power, wealth, and influence to a selected few out of two or three generations of aspiring young men. The pace was swift and grueling, the competition keen, and the mortality rate high.

William Malone Baskervill entered into that competition at an early age. His natural capacity was large and his endurance was far above the average. His loyalty to Mr. Hearst and the Hearst causes was absolute. Thus fortified, he mounted the ladder steadily, becoming finally not only editor and publisher of the Baltimore News-Post and the Sunday American, but also one of the small group of trusted counselors who guided the empire during Mr. Hearst's declining years and since.

Many of the Hearst executives moved from place to place, but Mr. Baskervill liked Baltimore from his first assignment here in 1926 and remained in this city until his death. He established his residence here and took part, directly or indirectly, in many civic undertakings. In all of them, as well as in the organization which he did so much to create, he will be missed.

OUR FISCAL PROBLEMS

Mr. FERGUSON. Mr. President, I wish to make a few remarks today on the subject of our fiscal problems.

President Eisenhower has made a very clear and lucid explanation of our fiscal problems in his address of last night. We in Congress should make the full facts of this situation clear in our record, and this is particularly appropriate now, just after we have closed debate on the first regular appropriation bill for the fiscal year 1954.

We find ourselves in a financial trap, and one which is not of the making of President Eisenhower's administration. We find a tremendous demand on the Government for expenditures and appropriations for domestic needs and for defense. This demand has been built up over the past years.

Let us first consider the deficit spending of the past. The actual deficit of the 1952 fiscal year, which ran from July 1, 1951, to June 30, 1952, was \$4 billion. The budgets and estimates of the previous administration planned for a deficit of \$5.9 billion in the 1953 fiscal year, which runs from July 1, 1952, to June 30, 1953, and a deficit of \$9.9 billion in the fiscal year from July 1, 1953, to June 30, 1954, fiscal year 1954.

These actual or estimated deficits established and published by the previous administration thus total \$19.8 billion for the last two and the present fiscal years. The present administration finds itself in the position of having inherited a deficit of \$19,800,000,000 in these 3 years.

Government expenditures arise from legislation. Because of the legislation of the past administration and the appropriations to cover that legislation, in the 5 years from 1950 through 1954 appropriations authorizing expenditures of Government funds exceeded the actual or estimated revenues for the same 5 years by about \$96 billion. This is where the legislative branch actually lost control of the purse strings.

Much of this was brought about as a result of the crash buildup of defense after the beginning of the Korean war. Because of the lead time required to obtain certain complicated weapons, the expenditures in connection with the authorized program, which were largely committed by the previous administra-

tion would reach their peak during the fiscal years 1954 and 1955.

We, therefore, find ourselves in this position. That the Truman budget proposed for the fiscal year 1954—that is from June 30, 1953, to July 1, 1954, an expenditure of \$78,600,000,000. This would create a deficit, when we consider the anticipated income from that period, of \$9,900,000,000. The Truman budget estimated that on July 30 of this year, just at the beginning of the 1954 fiscal year, there will be \$81 billion authorized by Congress which can be spent by the Government.

This means that the United States Treasury must obtain from the taxpayers the sum of \$81 billion to cover what the legislative branch of the Government authorized to be spent in actions of previous years.

The President described this as a crazy quilt of commitments, contracts, and obligations. He was justified in calling this a crazy quilt because a large part of this enormous amount of money is already under contract or committed for the delivery of defense materials, supplies and services and over which the present administration has very little, if any, control.

In some cases, it is like ordering a special article which is practically constructed, and one decides it is no longer necessary to have it. But he is committed to pay for it without receiving a dollar value in return.

The Congress was not entirely unmindful as to what they were doing. They appreciated that they were losing control of the purse strings and they knew, and some foresaw, what was going to happen when these deficits pyramided and what it was doing to inflation in this country. The people back home realized what was happening, and they demanded a change last November. They obtained it.

Congress attempted to hedge against this enormous tax load on the people, and, therefore, wrote into the tax laws certain expiration dates. But, there is one thing the Democratic Congress did not hedge against: that while expenditures would go along and increase, this reduction in the tax revenue would only create a further deficit and increase the pressures for inflation.

In other words, we were telling the taxpayers, when we were fixing the dates upon which certain tax legislation would expire, that they might expect a tax reduction. That action would indicate to the average person that expenditures were to be reduced. But such was not the fact.

So we find ourselves with reductions written into the tax law which will cut revenue about \$8 billion. Of this amount, about \$2.1 billion will fall into the fiscal year 1954 and the full loss will be taken in the fiscal year 1955.

The past administration estimated the Government revenue to be more than is reasonably expected to be received, and, therefore, we find that in the fiscal year 1953 they over-estimated the income from the taxpayers by about \$1.5 billion and it is safe to say that they over-

estimated what they would get in 1954 by about \$1.2 billion.

Between January 20, and the present time, all of these factors have come into focus—the peak of expenditures, expected revenue losses as a result of the tax reduction already in the law, and the overestimate of tax receipts in the current fiscal year and the next fiscal year. If left unchecked these factors would require Congress to increase the statutory debt limit of \$275 billion by the end of fiscal year 1954.

The previous administration estimated its deficit for the 1953 fiscal year to be \$5.9 billion. With the overestimated revenue for 1953, this deficit for 1953 will be increased to about \$7.5 billion. As we recall, there was a \$4 billion deficit in the fiscal year 1952. Now, as I mentioned before, the Truman budget for the fiscal year 1954 indicated a deficit of \$9.9 billion and, when we allow for the overestimated receipts for that year, this brings the Truman budget deficit to about \$11.1 billion for that year. Thus, there is a \$9.9 billion deficit projected by the previous administration for the fiscal year 1954, without any reduction in expenditures initiated by the present administration, and it could be about \$11 billion. When we put that deficit on top of the deficit for the 2 previous years, totaling probably \$11.5 billion, the accrued deficit for the fiscal years 1952 through 1954, would really be \$22.5 billion.

Mr. President, I realize that these figures must be beyond the imagination of our taxpayers; but, they are the figures we are dealing with and these are the deficits. They indicate that our people are going into debt and that this amount of money will have to be made up in the future in the form of taxes, either by the people or by their children or by their children's children.

So, if the tax reduction put into the law were really to take effect, and the full impact felt in 1955, the 1955 budget deficit would be substantially greater than the deficit projected by the Truman budget for the fiscal year 1954, and it could reach a figure of between \$15 and \$16 billion for the year 1955. We would find ourselves in the position of being unable to balance the budget under the philosophy of the previous administration until 1858.

As I said before, Mr. President, the people realize it, and they demanded a change, and they obtained a change.

The significant point is that if the tax cut went into effect, as written in the present law, the Government would receive about \$8 billion less in revenue. Under these conditions, no administration could allow such a paper tax reduction if it had any sincere concern about the accumulated effect on the economy of the past deficits.

Now, what is the present administration trying to do? It is vigorously trying to balance the budget and reduce collections from the taxpayers and it is determined to work to this end. The present administration, with its determined and effective efforts, has already begun to curtail governmental expendi-

Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE
(For Department Staff Only)

Issued July 15, 1953
For actions of July 14, 1953
83rd-1st, No. 130

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HIGHLIGHTS: Both Houses completed congressional action on wheat-quotas bill. House debated supplemental appropriation bill. Senate committees reported bills to prohibit unfit-wheat blending, authorize exchange of reclamation farm units, and extend excess-profits tax. House subcommittee approved bill permitting public-for-private timber-land exchanges. House conferees were appointed on 1st and 2nd independent offices appropriation bills. President approved drought-relief and wheat-quotas bills.

SENATE

- 1. WHEAT.** Both Houses agreed to the conference report on H. R. 5451, to amend the wheat marketing quota law (pp. 8977-8, 9014-5). This bill was then approved by the President. As finally passed, the bill fixed the 1954 national wheat acreage allotment at 62,000,000 acres (House figure, 66,000,000; Senate, 61,000,000); fixed the wheat penalty at 45% of parity; and made no change in the exemption levels of the previous legislation.
The Judiciary Committee reported with amendments S. 2137, to prohibit the blending of wheat imported as unfit for human consumption with wheat suitable for human consumption (S. Rept. 523)(p. 9004).
- 2. RECLAMATION.** The Interior and Insular Affairs Committee reported with amendments S. 887, to permit the exchange and amendment of farm units on Federal irrigation projects (S. Rept. 531)(p. 9004).
- 3. WATER COMPACT.** The Interior and Insular Affairs Committee reported with amendment S. 1197, to grant consent to negotiation by Nebr., Wyo., and S. Dak. of interstate water compacts (S. Rept. 527)(p. 9004).
- 4. RUBBER.** The Banking and Currency Committee reported with amendments S. 2047, to provide for sale of Government-owned rubber-producing plants (S. Rept. 579)(p. 9004).
- 5. TAXATION.** The Finance Committee reported without amendment H. R. 5898, to extend the excess-profits tax until Dec. 31, 1953 (S. Rept. 576)(p. 9004).

6. TRANSPORTATION. The D. C. Committee reported without amendment S. Res. 140, to provide for an investigation of transportation facilities serving D. C. (S. Rept. 577)(pp. 9009-10).
 7. DROUGHT RELIEF. Sen. Schoeppel inserted the report of the Governors attending the seven-State drought conference July 10 (pp. 9011-12).
 8. ST. LAWRENCE WATERWAY. Received a Wis. Legislature memorial favoring this project (p. 9003).
 9. PRICE SUPPORTS; ELECTRIFICATION. Sen. Tanager inserted a Farmers Union local resolution favoring farmer committees, 100% supports, the old parity formula, and the REA programs (pp. 9003-4).
 10. LEGISLATIVE PROGRAM as announced by Sen. Knowland: Today, excess-profits tax and various bills including those on fur loans and transfer of a research station to N. C.; Sat., calendar; next week, appropriation bills (p. 9024).
- HOUSE
11. APPROPRIATIONS. Began debate on H. R. 6200, the supplemental appropriation bill, 1954. (pp. 8958-76).
Conferees were appointed on H. R. 4663 and 5690, the first and second independent offices appropriation bills for 1954 (pp. 8949-50). Senate conferees have been appointed.
 12. BUILDINGS. At the request of Rep. Dondero, referred back to the Public Works Committee H. R. 5406, authorizing GSA to acquire real property and provide for construction of public buildings for housing of Federal agencies by executing purchasing contracts (p. 8950).
 13. EDUCATION. Passed with amendment H. R. 6078, extending for 2 years, to June 30, 1956, the Federal program for providing financial assistance for schools in areas affected by Federal activities (pp. 8978-93).
- LANDS.
14. FORESTRY. A subcommittee of the Interior and Insular Affairs Committee voted to report to the full Committee H. R. 4646, to permit Government acquisition of private lands in exchange for public forest lands of equal value; and H. R. 6186, authorizing the Interior Department to grant a preference right to users of withdrawn public lands for grazing purposes when these are restored from withdrawal (p. D703).
Conferees were appointed for H. R. 5134, to provide for U. S. jurisdiction over submerged lands of the outer continental shelf (p. 8950).
 15. COMMITTEE ASSIGNMENT. Rep. Bowler was elected to the Education and Labor Committee (p. 8950).
 16. EXPENDITURES. Rep. Hoffman inserted articles favoring H. R. 2, to limit Federal expenditures to estimated revenues (pp. 8955-6).
 17. ST. LAWRENCE WATERWAY. Received a Wis. Legislature memorial favoring this project (p. 9000).
 18. SOCIAL SECURITY. Rep. Kean discussed further improvements needed in the social-security program and his bills to accomplish this (pp. 8993-7).



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House of Representatives

The House met at 12 o'clock noon.

The Chaplain, Rev. Bernard Braskamp, D. D., offered the following prayer:

O Thou who art the inspiration of every noble ideal and principle, may we daily reaffirm our faith in Thy greatness and goodness and highly resolve to always dedicate and range our strength, our hopes and aspirations on the side of truth and righteousness.

Grant that in these days of destiny for the people of our beloved country we may believe that freedom and peace are worth fighting and sacrificing for and that Thou wilt sustain us in our battle for every righteous cause.

Inspire us with a more serene and steadfast faith in the reality and constancy of Thy divine love and power, lest we fail and falter and become the victims of discouragement and defeatism.

May we have the glad assurance that all things are working together for those who love Thee and that some day and in Thy own time our aspirations shall be gloriously fulfilled.

Hear us in the name of the Captain of our Salvation. Amen.

THE JOURNAL

The Journal of the proceedings of yesterday was read and approved.

FIRST INDEPENDENT OFFICES APPROPRIATION BILL, 1954

Mr. PHILLIPS. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 4663) making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1954, and for other purposes, with Senate amendments thereto, disagree to the Senate amendments and agree to the conference asked by the Senate.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from California?

Mr. McCORMACK. Mr. Speaker, reserving the right to object, this is the

appropriation bill that carries funds for low-cost public housing units.

Mr. PHILLIPS. The gentleman is right.

Mr. McCORMACK. And the Senate bill provides authority to build 35,000 units during the present fiscal year starting July 1, as I understand.

Mr. PHILLIPS. That is correct.

Mr. McCORMACK. The gentleman from California knows there is tremendous interest in that, and I would like to ask him if he will agree that unless the House conferees accept the Senate amendment providing for the 35,000 units to bring it back in disagreement so the House will have an opportunity of voting on it?

Mr. PHILLIPS. I would suppose we would have to. There would be no other technical way but to bring back the decision of the conference. There is a feeling on our part that we are obligated, as the gentleman knows, to those housing contracts already signed in good faith. I think we would meet with the Senate and discuss the matter. The Senate voted for 35,000 units; the House has voted for none. I feel that something can be worked out.

Mr. McCORMACK. Will the gentleman promise that unless the conferees agree on the 35,000 units the House will be given an opportunity to vote on that?

Mr. PHILLIPS. I would not want to give any commitment because I cannot speak for all the conferees. We would have to bring back for approval by the House whatever decision was made. I do not think I could agree that we are going to do this or that or not do this or that in advance of the conference.

Mr. McCORMACK. The decision could place the House in a position where it could not get a straight vote on the 35,000 units. You know, the President has publicly declared that he favors the 35,000 units. The day after the bill passed in the House the President made that declaration. There were speeches made in the House while the bill was up, and on the motion to recommit, that would indicate the President was just going through a gesture.

Mr. PHILLIPS. No, I do not think we can say that; but I do think you can say that the subject has wide ramifications and there is some question as to whether the President was answering the question on this particular phase of the housing program or on the use of FHA, FNMA, and other elements which enter into housing. That has never been clarified nor have we asked to have it clarified. I am willing to accept the gentleman's statement as to the situation, except that he makes it a little firmer than I for one understand it.

Mr. McCORMACK. My recollection is that the President was talking on low-cost public housing and not on FHA or FNMA in reference to the 35,000 units during the next fiscal year and that there would be further study and survey made, but that his position was in favor of the 35,000 units being constructed on authority during the present fiscal year. I realize the difficulty of my friend from California as an individual making a statement for the conferees in general.

Mr. PHILLIPS. That is my point.

Mr. McCORMACK. I am not going to take any other position; it would be unfair, but I hope the House conferees, if they do not agree to the Senate amendment, will bring it back in disagreement so that the House may have a straight vote on the 35,000 units. I further hope that the Senate conferees, unless the House conferees agree to the Senate amendment, will stay put, forcing the House conferees to bring back the bill in disagreement so that the House will have another opportunity of voting on the 35,000 units because I think it is vitally important in view of the honest misunderstanding conveyed to the House as to President Eisenhower's position.

Mr. HALLECK. Mr. Speaker, will the gentleman yield?

Mr. PHILLIPS. I yield to the gentleman from Indiana.

Mr. HALLECK. The gentleman from Massachusetts is undoubtedly referring to certain statements I made in the course of debate.

Mr. McCORMACK. And those of the gentleman from New Hampshire [Mr. COTTON].

Mr. HALLECK. May I say that as of today I stand on those statements I made. May I also say to the gentleman that we have had vote after vote on so-called public housing. You can call it anything you want to. As far as I am concerned I am perfectly willing to have the vote again, but I think the gentleman ought to recognize that the conferees are going into this conference as representatives of the House. I do not understand that they are going to say or do anything that would do violence to the procedures or practices that are normally followed.

Mr. TABER. Mr. Speaker, will the gentleman yield?

Mr. McCORMACK. I yield to the gentleman from New York.

Mr. TABER. I think we ought to have in mind just what the parliamentary picture is. The gentleman knows and realizes that no matter what is in the conference report, a motion to recommit a conference report is in order, and that the question can be brought before the House if Members of the House desire to have it brought up, regardless of what is in the conference report.

Mr. McCORMACK. The gentleman from New York treated the gentleman from Massachusetts very kindly in the instructions as to the parliamentary situation that the gentleman from Massachusetts, fortunately, with his limited knowledge of parliamentary law, was familiar with. But, the gentleman from New York thoroughly understands that if a conference report comes in, in order to bring this matter to a head on a 35,000 unit-vote question, and a motion to recommit a conference report is made, that the parliamentary situation is very unsatisfactory from the angle of those who favor 35,000 units than if the conference report came in enabling the House to have a specific vote on the 35,000 units. So, while I appreciate very much the instructions on parliamentary law given to me by the gentleman from New York, I have to, most kindly, advise him, as he well knows from his years of experience, that from a practical angle the situation is much more difficult than if we have a straight vote on the 35,000 units.

Might I say to my friend from Indiana this: He says he does not know yet what the position of the President is. Is that correct?

Mr. HALLECK. No; I did not say that. I said I stand on the statement I made here in the House. It did not involve any misunderstanding. It was a statement of my opinion, and I stand on it as of today. As far as I am concerned, may I say again it is perfectly all right with me to have another vote on it. As the gentleman understands, if you want that kind of a vote on your side, you can have it.

Mr. McCORMACK. Fine. With that statement from the majority leader my friend from California ought to find it easy to make an agreement with the other two Republican Members.

Mr. HOFFMAN of Michigan. Mr. Speaker, a point of order.

The SPEAKER. The gentleman will state it.

Mr. HOFFMAN of Michigan. I think the full membership of the House is entitled to hear this parliamentary discussion and enjoy the filibuster. I make the point of order that a quorum is not present.

The SPEAKER. The Chair will count.

Mr. HOFFMAN of Michigan. Mr. Speaker, on the advice of the Republican leader—and I want to go along with the administration—I prefer to have my advice come from the Republican side instead of that side over there. I withdraw the point of order, Mr. Speaker.

The SPEAKER. Is there objection to the request of the gentleman from California [Mr. PHILLIPS].

Mr. McCORMACK. Mr. Speaker, further reserving the right to object, I hope my friend from Indiana, the majority leader, will try and ascertain the definite views of President Eisenhower. I think I know what they are from his standpoint. I hope the House conferees will agree to the Senate amendment, and, if not, I hope the Senate conferees will stay put, forcing it back into the House for a vote on a straight issue. And, with that statement, Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from California? [After a pause.] The Chair hears none, and appoints the following conferees: Messrs. PHILLIPS, COTTON, JONAS of North Carolina, KRUEGER, TABER, THOMAS, ANDREWS, YATES, and CANNON.

SECOND INDEPENDENT OFFICES APPROPRIATION BILL, 1954

Mr. PHILLIPS. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill H. R. 5690, the second independent offices appropriation bill, 1954, with Senate amendments thereto, disagree to the Senate amendments, and agree to the conference requested by the Senate.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from California? [After a pause.] The Chair hears none, and appoints the following conferees: Messrs. PHILLIPS, COTTON, JONAS of North Carolina, KRUEGER, TABER, THOMAS, ANDREWS, YATES, and CANNON.

ELECTION TO COMMITTEE

Mr. COOPER. Mr. Speaker, I offer a privileged resolution (H. Res. 337) and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That JAMES B. BOWLER, of Illinois, be, and he is hereby, elected a member of the standing Committee of the House of Representatives on Education and Labor.

The resolution was agreed to, and a motion to reconsider was laid on the table.

HIGHWAY CROSSINGS ACROSS THE BAY OF SAN FRANCISCO

Mr. DONDERO. Mr. Speaker, I ask unanimous consent that the Committee on Public Works have until midnight to-

night to file a report on the bill (H. R. 6201) authorizing the State of California to collect tolls for the use of certain highway crossings across the Bay of San Francisco.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

CONSTRUCTION OF PUBLIC BUILDINGS

Mr. DONDERO. Mr. Speaker, I ask unanimous consent that the bill (H. R. 5406) to amend the Public Buildings Act of 1949 to authorize the Administrator of General Services to acquire title to real property and to provide for the construction of certain public buildings for housing of Federal agencies or departments, including post offices, by executing purchase contracts, and for other purposes, be referred back to the Committee on Public Works.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

CIVIL ACTIONS AGAINST THE UNITED STATES FOR RECOVERY OF TAXES

Mr. GRAHAM. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (S. 252) to permit all civil actions against the United States for recovery of taxes erroneously or illegally assessed or collected to be brought in the district courts with right of trial by jury, with House amendments thereto, insist on the House amendments, and agree to the conference requested by the Senate.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania? [After a pause.] The Chair hears none, and appoints the following conferees: Messrs. KEATING, CRUMPACKER, and WILLIS.

AMENDMENT OF SUBMERGED LANDS ACT

Mr. GRAHAM. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 5134) to amend the Submerged Lands Act, with a Senate amendment thereto, disagree to the Senate amendment, and agree to the conference requested by the Senate.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania? [After a pause.] The Chair hears none, and appoints the following conferees: Mr. GRAHAM, Miss THOMPSON of Michigan, Mr. HILLINGS, Mr. McCULLOCH, Mr. CELLER, Mr. WALTER, and Mr. WILSON of Texas.

OVERSEAS INFORMATION

(Mrs. ROGERS of Massachusetts asked and was given permission to address the House for 1 minute and to include a telegram from the American Legion.)

Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE
(For Department Staff Only)

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HIGHLIGHTS: Both Houses completed congressional action on 2nd independent offices appropriation bill. House received conference reports on 1st independent offices and Army civil appropriation bills. Senate received appropriation estimate for corn allotments. House discussed forest-mining bill. House passed bill to celebrate 50th anniversary of farm-demonstration work. House subcommittee approved its report on pea sales. Sen. Magnuson introduced and discussed bill to restrict farm imports.

HOUSE

- 1. APPROPRIATIONS.** The Appropriations Committee reported without amendment H. R. 6391, the foreign-aid appropriation bill for 1954 (H. Rept. 580) (p. 9562).
Received the conference report on H. R. 4663, the first independent offices appropriation bill for 1954, which includes funds for the Budget Bureau, Civil Service Commission, National Science Foundation, etc. (pp. 9556-60).
Both Houses agreed to the conference report on H. R. 5690, the second independent offices appropriation bill for 1954, which includes funds for the Tennessee Valley Authority, Veterans' Administration, and Selective Service System (pp. 9481-2, 9516-9, 9559-60). This bill will now be sent to the President.
Received the conference report on H. R. 5376, the Army civil appropriation bill for 1954, which includes funds for flood control (pp. 9487, 9545-7).
- 2. BUILDINGS.** The Rules Committee reported a resolution for consideration of H. R. 6342, to authorize GSA to acquire land and enter into lease-purchase contracts for construction of Government buildings thereon (p. 9562).
- 3. EXTENSION WORK.** Passed without amendment H. J. Res. 161, requesting the President to designate 1953 as the 50th Anniversary Year of Farm Demonstration Work (p. 9512).
- 4. SAFETY.** Passed as reported S. 1105, to incorporate the National Safety Council (pp. 9509-10).
- 5. PEA SALES.** A subcommittee of the Agriculture Committee approved for reporting to

the full Committee a report on its study of the sale of 80,000 tons of Austrian peas by CCC (p. D739).

6. FORESTRY. Discussed and, at the request of Rep. Price, passed over H. R. 4983, to define the surface rights of a locator of a mining claim on U. S. land. Rep. Miller said a joint subcommittee of the Interior and Insular Affairs Committee and the Agriculture Committee has been appointed to iron out the differences between the two Committees on this subject. The subcommittee consists of Reps. D'Ewart, Engle, Wharton, Hill, Hagen, and Abbitt. (pp. 9507-8.)
7. RESEARCH. Discussed and, at the request of Rep. Phillips, passed over H. R. 4689, to provide an open-end authorization for the National Science Foundation (p. 9507).
8. RECLAMATION. Passed without amendment S. 1433, to extend the benefits of certain provisions of the Reclamation Project Act of 1939 to the Arch Hurley Conservancy District, N. Mex. (p. 9512). This bill will now be sent to the President.
9. INTEREST RATES. Rep. Dentsen criticized the policy of permitting increases in interest rates (pp. 9552-5).
10. FORESTRY. The Agriculture Committee reported with amendment H. R. 3107, to provide for conveyance of a tract of forest land in Basalt, Colo. (H. Rept. 888) (p. 9562).

SENATE

11. APPROPRIATIONS. Received from the President a supplemental appropriation estimate for 1954 of \$7,500,000 for this Department to formulate and carry out acreage allotments on the 1954 corn crop in the commercial areas; to Appropriations Committee (S. Doc. 61)(p. 9432).
In reporting H. R. 5969, the defense appropriation bill, the Committee struck out the prohibition against cost-of-living allowances for residents of the Territory or possession involved.
12. RECLAMATION. Passed without amendment H. R. 1991, relating to certain cost adjustments in the Greenfield division, Mont. (p. 9483). This bill will now be sent to the President.
13. SMALL BUSINESS. Passed with amendments H. R. 5141, to create a Small Business Administration (pp. 9431, 9443-75).
14. FISCAL POLICY. Sen. Morse criticized the Administration's fiscal policies and inserted newspaper articles on this matter (pp. 9440-2).
15. ELECTRIFICATION. Sen. Morse inserted R. L. Neuberger's article criticizing Secretary McKay's decision "to abandon" the Hells Canyon project (p. 9484).
16. LEGISLATIVE PROGRAM. Sen. Knowland stated that today the Senate will consider the FCA reorganization bill and the rubber-plants sale bill (pp. 9483-4).

BILLS INTRODUCED

17. FARM IMPORTS. S. 2430, by Sen. Magnuson (for himself and others), to amend the Trade Agreements Act to vest additional authority in the Tariff Commission regarding imports of agricultural commodities; to Finance Committee (p. 9435). Remarks of author (pp. 9435-6).

FIRST INDEPENDENT OFFICES APPROPRIATION ACT, 1954

JULY 18, 1953.—Ordered to be printed

Mr. PHILLIPS, from the committee of conference, submitted the following

CONFERENCE REPORT

[To accompany H. R. 4663]

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 4663) making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1954, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 5, 14, 21, 25, 26, 37, 38, 39, 63, 76, 78, and 81.

That the House recede from its disagreement to the amendments of the Senate numbered 1, 2, 3, 7, 8, 11, 15, 18, 20, 28, 30, 34, 35, 36, 40, 44, 48, 50, 58, 59, 60, 61, 65, 67, and 77, and agree to the same.

Amendment numbered 4:

That the House recede from its disagreement to the amendment of the Senate numbered 4, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert \$8,500,000; and the Senate agree to the same.

Amendment numbered 6:

That the House recede from its disagreement to the amendment of the Senate numbered 6, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert \$476,670; and the Senate agree to the same.

Amendment numbered 10:

That the House recede from its disagreement to the amendment of the Senate numbered 10, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert \$88,000; and the Senate agree to the same.

Amendment numbered 12:

That the House recede from its disagreement to the amendment of the Senate numbered 12, and agree to the same with an amendment as follows:

Restore the matter stricken by said amendment, amending the first sum named therein as follows: \$1,018,496; and the Senate agree to the same.

Amendment numbered 13:

That the House recede from its disagreement to the amendment of the Senate numbered 13, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert \$210,000; and the Senate agree to the same.

Amendment numbered 16:

That the House recede from its disagreement to the amendment of the Senate numbered 16, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert \$184,750; and the Senate agree to the same.

Amendment numbered 17:

That the House recede from its disagreement to the amendment of the Senate numbered 17, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert \$24,300; and the Senate agree to the same.

Amendment numbered 19:

That the House recede from its disagreement to the amendment of the Senate numbered 19, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert \$146,700; and the Senate agree to the same.

Amendment numbered 22:

That the House recede from its disagreement to the amendment of the Senate numbered 22, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert \$80,430; and the Senate agree to the same.

Amendment numbered 23:

That the House recede from its disagreement to the amendment of the Senate numbered 23, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert \$157,450; and the Senate agree to the same.

Amendment numbered 24:

That the House recede from its disagreement to the amendment of the Senate numbered 24, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert \$30,750; and the Senate agree to the same.

Amendment numbered 27:

That the House recede from its disagreement to the amendment of the Senate numbered 27, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert \$93,400; and the Senate agree to the same.

Amendment numbered 29:

That the House recede from its disagreement to the amendment of the Senate numbered 29, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert \$176,275; and the Senate agree to the same.

Amendment numbered 31:

That the House recede from its disagreement to the amendment of the Senate numbered 31, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert \$193,550; and the Senate agree to the same.

Amendment numbered 32:

That the House recede from its disagreement to the amendment of the Senate numbered 32, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert \$3,215,550; and the Senate agree to the same.

Amendment numbered 41:

That the House recede from its disagreement to the amendment of the Senate numbered 41, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert \$6,950,000; and the Senate agree to the same.

Amendment numbered 45:

That the House recede from its disagreement to the amendment of the Senate numbered 45, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert \$3,560; and the Senate agree to the same.

Amendment numbered 47:

That the House recede from its disagreement to the amendment of the Senate numbered 47, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert \$251,650; and the Senate agree to the same.

Amendment numbered 49:

That the House recede from its disagreement to the amendment of the Senate numbered 49, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert \$310,000; and the Senate agree to the same.

Amendment numbered 51:

That the House recede from its disagreement to the amendment of the Senate numbered 51, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert \$5,630; and the Senate agree to the same.

Amendment numbered 52:

That the House recede from its disagreement to the amendment of the Senate numbered 52, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert \$125,000; and the Senate agree to the same.

Amendment numbered 54:

That the House recede from its disagreement to the amendment of the Senate numbered 54, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert \$89,500; and the Senate agree to the same.

Amendment numbered 55:

That the House recede from its disagreement to the amendment of the Senate numbered 55, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert \$8,000,000; and the Senate agree to the same.

Amendment numbered 56:

That the House recede from its disagreement to the amendment of the Senate numbered 56, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert \$272,150; and the Senate agree to the same.

Amendment numbered 57:

That the House recede from its disagreement to the amendment of the Senate numbered 57, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert \$127,000; and the Senate agree to the same.

Amendment numbered 62:

That the House recede from its disagreement to the amendment of the Senate numbered 62, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert \$12,500; and the Senate agree to the same.

Amendment numbered 64:

That the House recede from its disagreement to the amendment of the Senate numbered 64, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert \$13,500; and the Senate agree to the same.

Amendment numbered 66:

That the House recede from its disagreement to the amendment of the Senate numbered 66, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert \$6,260; and the Senate agree to the same.

Amendment numbered 68:

That the House recede from its disagreement to the amendment of the Senate numbered 68, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert \$3,250,000; and the Senate agree to the same.

Amendment numbered 69:

That the House recede from its disagreement to the amendment of the Senate numbered 69, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert \$108,175; and the Senate agree to the same.

Amendment numbered 70:

That the House recede from its disagreement to the amendment of the Senate numbered 70, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert \$525,625; and the Senate agree to the same.

Amendment numbered 71:

That the House recede from its disagreement to the amendment of the Senate numbered 71, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert \$27,000; and the Senate agree to the same.

Amendment numbered 72:

That the House recede from its disagreement to the amendment of the Senate numbered 72, and agree to the same with an amendment as follows:

Restore the matter stricken by said amendment, amending the sum named therein as follows: \$25,000; and the Senate agree to the same.

Amendment numbered 73:

That the House recede from its disagreement to the amendment of the Senate numbered 73, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert \$5,450; and the Senate agree to the same.

Amendment numbered 74:

That the House recede from its disagreement to the amendment of the Senate numbered 74, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert \$5,322,800; and the Senate agree to the same.

Amendment numbered 75:

That the House recede from its disagreement to the amendment of the Senate numbered 75, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert \$157,750; and the Senate agree to the same.

Amendment numbered 79:

That the House recede from its disagreement to the amendment of the Senate numbered 79, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert \$10,975,000; and the Senate agree to the same.

Amendment numbered 80:

That the House recede from its disagreement to the amendment of the Senate numbered 80, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert \$800,000; and the Senate agree to the same.

The committee of conference report in disagreement amendments numbered 9, 33, 42, 43, 46, and 53.

JOHN PHILLIPS,
NORRIS COTTON,
CHARLES R. JONAS,
OTTO KRUEGER,
JOHN TABER,
ALBERT THOMAS,
GEORGE ANDREWS,
CLARENCE CANNON,

Managers on the Part of the House.

LEVERETT SALTONSTALL,
HOMER FERGUSON,
STYLES BRIDGES,
GUY CORDON,
BURNET R. MAYBANK,
LISTER HILL,
ALLEN J. ELLENDER,

Managers on the Part of the Senate.

STATEMENT OF THE MANAGERS ON THE PART OF THE HOUSE

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 4663) making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1954, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying conference report as to each of such amendments, namely:

EXECUTIVE OFFICE OF THE PRESIDENT

EMERGENCY FUND FOR THE PRESIDENT

Amendment No. 1—*National Defense*: Appropriates \$300,000 as proposed by the Senate instead of \$500,000 as proposed by the House.

INDEPENDENT OFFICES

AMERICAN BATTLE MONUMENTS COMMISSION

Amendment No. 2—*Salaries and expenses*: Authorizes the use of \$12,000 for expenses of travel as proposed by the Senate instead of \$8,000 as proposed by the House.

Amendments Nos. 3, 4, and 5—*Construction of memorials and cemeteries*: Authorize the use of \$41,276 for expenses of travel as proposed by the Senate instead of \$27,520 as proposed by the House; and appropriate \$8,500,000 for such construction instead of \$9,500,000 as proposed by the House and \$4,500,000 plus \$4,000,000 in the form of foreign currencies or credits as proposed by the Senate.

CIVIL SERVICE COMMISSION

Amendments Nos. 6 and 7—*Salaries and expenses*: Appropriate \$17,000,000 as proposed by the Senate instead of \$16,064,323 as proposed by the House; and authorize the use of \$476,670 for expenses of travel instead of \$383,335 as proposed by the House and \$570,000 as proposed by the Senate.

FEDERAL COMMUNICATIONS COMMISSION

Amendment No. 8—*Land and structures*: Authorizes the use of \$13,000 for such purpose as proposed by the Senate instead of \$3,000, as proposed by the House.

Amendment No. 9—*Purchase of automobiles*: Reported in disagreement.

Amendments Nos. 10, 11, and 12—*Salaries and expenses*: Authorize the use of \$88,000 for expenses of travel instead of \$73,335 as proposed

by the House and \$90,000 as proposed by the Senate; appropriate \$7,400,000 as proposed by the Senate instead of \$7,100,000 as proposed by the House; and restore the provision of the House, making specific amounts available for application processing in connection with television licenses and licenses for safety and special services amended to provide that not less than \$1,018,496 shall be available for TV application processing.

FEDERAL POWER COMMISSION

Amendment No. 13—*Salaries and expenses*: Authorizes the use of \$210,000 for expenses of travel instead of \$173,335 as proposed by the House and \$240,000 as proposed by the Senate.

FEDERAL TRADE COMMISSION

Amendments Nos. 14 and 15—*Salaries and expenses*: Appropriate \$4,053,800 as proposed by the Senate instead of \$4,178,800 as proposed by the House; and authorize the use of \$163,035 for expenses of travel as proposed by the House instead of \$196,435 as proposed by the Senate. The conference committee was urged to authorize the use of funds appropriated to the Commission for employment of a firm of management consultants to make a survey of the Commission. Under the rules of conference the conferees were unable to comply with this request. However, it is believed the project is desirable, and it is suggested that the Commission call upon the Bureau of the Budget for assistance in this connection, a substantial sum having been recently provided this agency for improvement of management in the executive branch.

GENERAL SERVICES ADMINISTRATION

Amendment No. 16—*Operating expenses*: Authorizes the use of \$184,750 for expenses of travel, Public Buildings Service, instead of \$161,200 as proposed by the House and \$208,300 as proposed by the Senate.

Amendments Nos. 17 and 18—*Emergency operating expenses*: Appropriate \$20,000,000 as proposed by the Senate instead of \$22,668,250 as proposed by the House; and authorize the use of \$24,300 for expenses of travel instead of \$22,865 as proposed by the House and \$30,000 as proposed by the Senate.

Amendments Nos. 19 and 20—*Repair, improvement, and equipment, outside the District of Columbia*: Appropriate \$14,000,000 as proposed by the Senate instead of \$18,000,000 as proposed by the House; and authorize the use of \$146,700 for expenses of travel instead of \$133,400 as proposed by the House and \$160,000 as proposed by the Senate.

Amendment No. 21—*Remodeling of Congress Street Post Office, Chicago, Ill.*: Authorize the use of \$800 for expenses of travel as proposed by the House instead of \$1,200 as proposed by the Senate.

Amendments Nos. 22 and 23—*Federal Supply Service*: Authorize the use of \$80,430 for expenses of travel, operating expenses, instead of \$79,865 as proposed by the House and \$81,000 as proposed by the Senate; and \$157,450 for expenses of travel under the heading "Expenses, general supply fund," instead of \$140,700 as proposed by the House and \$174,200 as proposed by the Senate.

Amendments Nos. 24, 25, and 26—*National Archives and Records Service*: Appropriate \$5,625,000 as proposed by the House instead of

\$5,525,000 as proposed by the Senate; provide \$200,000 for nitrate film conversion as proposed by the House instead of \$100,000 as proposed by the Senate; and authorize the use of \$30,750 for expenses of travel instead of \$24,600 as proposed by the House and \$36,900 as proposed by the Senate.

Amendments Nos. 27 and 28—*Administrative operations*: Appropriate \$4,200,000 as proposed by the Senate instead of \$4,140,750 as proposed by the House; and authorize \$93,400 for expenses of travel instead of \$88,600 as proposed by the House and \$98,200 as proposed by the Senate.

Amendment No. 29—*Strategic and critical materials*: Authorizes the use of \$176,275 for expenses of travel instead of \$143,000 as proposed by the House and \$209,550 as proposed by the Senate.

Amendment No. 30—*Purchase of typewriters*: Strikes out the proposal of the House to include State governments as an exception within the provisions of the limitation.

HOUSING AND HOME FINANCE AGENCY

OFFICE OF THE ADMINISTRATOR

Amendments Nos. 31 and 32—*Salaries and expenses*: Appropriate \$3,215,550 instead of \$2,587,100 as proposed by the House and \$3,455,000 as proposed by the Senate, the reduction below the Senate proposal consisting of \$103,450 for agencywide program coordination and supervision and \$136,000 for programing of defense housing and community facilities; and authorize the use of \$193,550 for expenses of travel instead of \$175,800 as proposed by the House and \$211,300 as proposed by the Senate.

Amendment No. 33: Reported in disagreement.

Amendments Nos. 34, 35, and 36—*Miscellaneous provisions*: Strike out provisions in the House bill proposing a reorganization survey; assigning certain reorganization powers to the Administrator; and fixing a limit on expenditures in connection with loans to educational institutions; as proposed by the Senate.

Amendment No. 37—*Defense Community Facilities and Services*: Reappropriates not to exceed \$112,500, for administrative expenses, as proposed by the House instead of \$115,000 as proposed by the Senate.

Amendments Nos. 38, 39, and 40—*Capital grants for slum clearance and urban redevelopment*: Restore the provision of the House bill requiring the Administrator to give consideration to the efforts of the locality to enforce local codes and regulations; restore the provision of the House requiring that the authority under title I of the National Housing Act shall be used to the utmost in connection with slum-rehabilitation needs; and strike out the proposal of the House excluding expenditures by the community for parks, playgrounds, public buildings, or similar facilities as being counted as a part of the one-third contribution required of such community.

PUBLIC HOUSING ADMINISTRATION

Amendment No. 41—*Administrative expenses*: Appropriates \$6,950,000 instead of \$4,948,000 as proposed by the House and \$8,000,000 as proposed by the Senate.

Amendment No. 42—*Rejection of project by community*: Reported in disagreement.

Amendment No. 43—*Authorization of additional dwelling units*: Reported in disagreement. The managers on the part of the House will recommend the commencement of construction of not more than 20,000 dwelling units during the fiscal year 1954, such units being provided initially to meet requirements under contracts executed prior to July 5, 1952, in which there is no escape clause, the remaining units being applied to other projects which have contracts for dwelling units but in which the escape clause is included. The conferees further recommend that in addition to the study of the low-rent-housing program specifically required in the amendment to be offered, that such survey include all housing programs under the jurisdiction of the Agency.

INDIAN CLAIMS COMMISSION

Amendments Nos. 44 and 45—*Salaries and expenses*: Appropriate \$117,020 as proposed by the Senate instead of \$111,020 as proposed by the House; and authorize the use of \$3,560 for expenses of travel instead of \$2,845 as proposed by the House and \$4,270 as proposed by the Senate. The increase in funds provided this agency is allowed with a view to expediting the work of the Commission and bringing its duties to a conclusion at an early date.

INTERSTATE COMMERCE COMMISSION

Amendment No. 46—*Purchase of automobiles*: Reported in disagreement.

Amendments Nos. 47 and 48—*General expenses*: Appropriate \$9,665,000 as proposed by the Senate instead of \$9,466,176 as proposed by the House, including funds to implement the report of the Wolf Management Engineering Co. submitted last December. In lieu of the proposal of the Senate the conferees have agreed to the proposal of the House requiring that the sum of \$1,793,157 requested for work relating to safety and field in the Bureau of Motor Carriers be distributed to other work of the Commission which is regarded as of greater importance than such safety and field work. The conferees have authorized the use of \$251,650 for expenses of travel instead of \$212,645 as proposed by the House and \$290,650 as proposed by the Senate.

NATIONAL ADVISORY COMMITTEE FOR AERONAUTICS

Amendments Nos. 49 and 50—*Salaries and expenses*: Appropriate \$51,000,000 as proposed by the Senate instead of \$52,988,050 as proposed by the House; and authorize the use of \$310,000 for expenses of travel instead of \$216,700 as proposed by the House and \$325,000 as proposed by the Senate.

NATIONAL CAPITAL PLANNING COMMISSION

Amendments Nos. 51 and 52—*Salaries and expenses*: Appropriate \$125,000 instead of \$97,915 as proposed by the House and \$155,000 as proposed by the Senate.

Amendment No. 53—*Land acquisition*: Reported in disagreement.

NATIONAL SCIENCE FOUNDATION

Amendments Nos. 54 and 55—*Salaries and expenses*: Appropriate \$8,000,000 instead of \$5,724,400 as proposed by the House and \$10,000,000 as proposed by the Senate; and authorize the use of \$89,500 for expenses of travel instead of \$78,000 as proposed by the House and \$101,000 as proposed by the Senate.

RENEGOTIATION BOARD

Amendment No. 56—*Expenses of travel*: Authorizes the use of \$272,150 for expenses of travel instead of \$238,700 as proposed by the House and \$305,600 as proposed by the Senate.

SECURITIES AND EXCHANGE COMMISSION

Amendments Nos. 57 and 58—*Salaries and expenses*: Appropriate \$5,000,000 as proposed by the Senate instead of \$5,245,080 as proposed by the House; and authorize the use of \$127,000 for expenses of travel instead of \$104,170 as proposed by the House and \$150,000 as proposed by the Senate.

SMITHSONIAN INSTITUTION

Amendments Nos. 59 and 60—*Salaries and expenses*: Appropriate \$3,000,000 as proposed by the Senate instead of \$2,897,500 as proposed by the House; and authorize the use of \$10,225 for expenses of travel as proposed by the Senate instead of \$6,825 as proposed by the House.

Amendment No. 61—*Salaries and expenses, National Gallery of Art*: Authorizes the use of \$1,800 for expenses of travel as proposed by the Senate instead of \$1,600 as proposed by the House.

SUBVERSIVE ACTIVITIES CONTROL BOARD

Amendments Nos. 62 and 63—*Salaries and expenses*: Authorize the use of \$12,500 for expenses of travel instead of \$10,000 as proposed by the House and \$15,000 as proposed by the Senate; and the use of \$100 for purchase of newspapers and periodicals as proposed by the House instead of \$500 as proposed by the Senate.

TARIFF COMMISSION

Amendment No. 64—*Salaries and expenses*: Authorizes the use of \$13,500 for expenses of travel instead of \$11,335 as proposed by the House and \$14,500 as proposed by the Senate.

THE TAX COURT OF THE UNITED STATES

Amendment No. 65—*Salaries and expenses*: Authorizes the use of \$45,000 for expenses of travel as proposed by the Senate instead of \$40,000 as proposed by the House.

WAR CLAIMS COMMISSION

Amendments Nos. 66 and 67—*Administrative expenses*: Appropriate \$850,000 as proposed by the Senate instead of \$750,000 as proposed by the House; and authorize the use of \$6,260 for expenses of travel instead of \$5,000 as proposed by the House and \$7,520 as proposed by the Senate. In providing the increased amount proposed by the

Senate the conferees recommend that the additional sum be used to assist in the early completion of the work of the Commission.

TITLE II—CORPORATIONS

HOUSING AND HOME FINANCE AGENCY

Amendments Nos. 68 and 69—*Federal National Mortgage Association*: Authorize the use of \$3,250,000 of available funds for administrative expenses instead of \$2,300,000 as proposed by the House and \$4,200,000 as proposed by the Senate; and authorize the use of \$108,175 for expenses of travel instead of \$95,750 as proposed by the House and \$120,600 as proposed by the Senate.

Amendments Nos. 70 and 71—*Housing loan programs*: Authorize the use of \$525,625, from available funds for administrative expenses, instead of \$411,250 as proposed by the House and \$640,000 as proposed by the Senate; and authorize the use of \$27,000 for expenses of travel instead of \$26,330 as proposed by the House and \$27,600 as proposed by the Senate.

Amendment No. 72—*Home Loan Bank Board*: Authorizes the use of \$25,000 for expenses of travel instead of \$20,000 as proposed by the House and the elimination of such limitation as proposed by the Senate.

Amendment No. 73—*Federal Savings and Loan Insurance Corporation*: Authorizes the use of \$5,450 for expenses of travel instead of \$4,370 as proposed by the House and \$6,500 as proposed by the Senate.

Amendments Nos. 74, 75, 76, 77, and 78—*Federal Housing Administration*: Authorize the use of \$5,322,800 for administrative expenses instead of \$5,045,590 as proposed by the House and \$5,600,000 as proposed by the Senate; authorize the use of \$157,750 for expenses of travel instead of \$131,000 as proposed by the House and \$184,500 as proposed by the Senate; authorize the use of \$500 for the purchase of periodicals and newspapers as proposed by the House instead of \$1,500 as proposed by the Senate; provide \$26,500,000 for nonadministrative expenses as proposed by the Senate instead of \$27,500,000 as proposed by the House; and restore the provision of the House repealing the authorization for the position of Assistant Commissioner established pursuant to section 213 (f) of the National Housing Act, as amended.

Amendments Nos. 79, 80, and 81—*Public Housing Administration*: Authorize the use of \$10,975,000 of available funds for administrative expenses instead of \$8,973,000 as proposed by the House and \$13,025,000 as proposed by the Senate; authorize the use of \$800,000 for expenses of travel instead of \$685,300 as proposed by the House and \$916,000 as proposed by the Senate; and restore the proposal of the House requiring the Commissioner to make every effort to refund local bonds held by PHA.

JOHN PHILLIPS,
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CLARENCE CANNON,

Managers on the Part of the House.



To those who might have the Midas touch and who hope that times will get bad so they can buy up our national wealth cheap, I would remind them of the old story that if you wish to increase your wealth at the expense of the Nation's welfare, the Nation will collapse and your wealth will go with it. Everything you touch may turn to gold but you cannot eat gold, you cannot defend this Nation with it, and you will curse the day you ever attempted to. I would remind you of the old adage not to ask for whom the bell tolls. When a small business collapses or a farmer loses his farm, when a mortgage is foreclosed on a working man, do not ask for whom it tolls for it tolls for you; because sooner or later you too will be engulfed in disaster.

We have heard a lot of talk about our huge national debt and the interest upon it. I would remind you that that debt was largely incurred on a 52-cent dollar. Those who advocate the hard-money policy would in effect double our national debt because by making money hard, they would pay off the 52-cent dollar debt with dollars worth 100 cents. We have all heard of the danger which exists in the chain reaction of atomic energy, but it is no more dangerous than the chain reaction of economic catastrophe. When Farmer Jones, drought-stricken and on the cliff of despair cannot borrow money to tide him over until better weather and better times, it means that he cannot buy food or that new refrigerator, that new car, that new suit of clothes, pay his doctor or lawyer. That means that the local merchants are caught with inventories on their hands and cannot order from the wholesalers or jobbers who, in turn, do not order from the factories, who, in turn, have to produce less and have to lay off workers since there is less to sell and less people to buy all along the line. More and more people are laid off and less and less people are able to buy so that when you push the first domino in the line over you do not just push one domino, you push them all. They all topple one by one.

Yes, big business and big lenders are in favor of hard money but these interests who reside in our great cities should remember that those cities and those interests have as their foundation our little farmers, our small businesses, our workers.

When in law or in morals can justification be found for deliberately moving to encourage "healthy unemployment"? While I can look only with misapprehension at the present situation, it should, I think, be clear that no person however powerful, however popular, however, sincere, can be protected from the avenging wrath of indignant people who have found that the Government has deliberately planned to make money hard to get.

For many years the party now in power has beaten on the table and shouted the dome off the Capitol in attacks upon Government interference, but here is Government interference at its worst. A plan to raise interest to make money hard to get hurts the little man and in the long run benefits none.

Why no howls of anguish about this sort of Government control? If you say that hard money is a good thing, tell us what is good about ruined farmers, more unemployment, and business failures. If you say that the people want hard money, I would ask that you point out a single instance where ordinary people anywhere have ever declared themselves to be in favor of money that is hard to get. You can find where the lenders have asked for hard money, but not where the people have.

My sympathies lie with the farmer, the workingman, the small-business man.

Bryan expressed the idea of government. One is that Congress should legislate in order to make the wealthy people richer hoping that by doing so the prosperity of the rich would dribble down to those below.

The democratic idea is that if you make the ordinary people prosperous, their prosperity will find its way up through every group which rests above them.

We have all heard the remark along the lines that what is good for Chase National Bank is good for the country. This is just another way of phrasing the old refrain of special privilege for a few means prosperity for all. I subscribe to the philosophy which says that what is good for the country is what is good for Chase National Bank, and I think history will bear me out.

The great impersonal, cold onslaught of a deflationary economic avalanche grinding ruthlessly on unchecked can only lead to panic and depression. To stop it is like trying to corral a maverick brahma bull into a cattle chute.

Of all the other dangers which our Nation might face in these trying times, the danger of depression is the greatest, for that danger opens the floodgates of communism more surely than any other thing and could let that bloody tide sweep this country.

We should realize that at this time in our history, high interest means self-interest for a few rather than the self-interest of the Nation.

Hard money means hard times. Hard times can mean a Nation lost.

SLAVE LABOR IN THE WORKERS PARADISE

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Wisconsin [Mr. SMITH] is recognized for 15 minutes.

(Mr. SMITH of Wisconsin asked and was given permission to revise and extend his remarks.)

Mr. SMITH of Wisconsin. Mr. Speaker, the dark blight of slavery has settled permanently upon more than 20 million human beings behind the Iron Curtain of barbaric communism. This is the conclusion reported by the United Nations' committee on slave-labor camps, after a 2-year investigation under the auspices of the International Labor Organization. The committee's report, published in Geneva on May 27, 1953, comprises 618 printed pages of authoritative documentation depicting Communist slavery in every facet of brutality,

inhumanity—even stark savagery in the deliberate extermination of peoples by slow starvation.

All this is accomplished with the sanction of the Soviet criminal code, under the legal euphemism of "corrective labor." The story told in the Geneva report stands as a warning to free men everywhere to guard jealously the precious heritage of constitutional protections and rights.

The American Federation of Labor, which inspired and demanded the Geneva investigation, has performed a distinguished service for freedom. The part played by the AFL in this historic exposé of Communist slave-labor camps is appreciated best by those who know the true story of modern slavery, as now reestablished in the whole broad domain of Godless communism.

The report finds that 15 million to 20 million victims are to be found in Russia's slave-labor camps on any given day. The camp populations rotate, but the combined slave-labor force remains practically constant.

One of the main aims of the forced-labor system in the Soviet Union is to crush all opposition.

The report reads.

The repressive measures affect not only actual opponents, but also persons who are suspected of professing religious or political opinions running counter to the official ideology. * * * Most of the persons held in Soviet slave-labor camps are political offenders. * * * It appeared that, if the Soviet Government did not like people's opinions, it condemned them to forced labor until such time as they renounced those opinions or died in a camp. That was persecution raised to the dignity of a system.

At another point, the report says—page 428:

Forced labor in the Soviet Union was the central core of both the political and economic systems, and represented something new in the world. It differed in many important respects from chattel slavery and from the penal systems of other countries. The Communist legal encyclopedia made it absolutely clear that the primary aim of the forced-labor system was to crush those who disagreed with the Communist Party and its leaders.

The Soviet legal code sanctions the commitment of children to the slave-labor camps as early as 12 years of age—page 430. The code also admits the general application of ex-post facto law. Under this principle, the victim may be convicted in 1950, under a law promulgated in 1949, for an act committed in 1930.

Guilt by association often is sufficient to send a person to a slave camp. In the language of the Geneva report, "persons whose sole responsibility for a crime lay in their being related to the persons accused, were punished for the crime."

Although so-called trials are held in many cases, anyone may be shipped off to a slave camp without trial.

Under article 22 of the Basic Criminal Code of the U. S. S. R., exile could be decreed by the State prosecutor against persons recognized as being socially dangerous without any criminal proceedings being taken against those persons, and even in cases

where they had been acquitted by a court of the charge of committing a specific crime.

One of the witnesses before the United Nations Commission was a man who had served time in a Communist slave camp. He testified:

Men are not only arrested for what they did many years before, but for what their relatives did in the pre-Communist days.

Most arrests are made by the Ministry of State Security—MGB, formerly the MVD and earlier the NKVD.

The court may, according to article 394 of the Code of Criminal Procedure, stop the questioning of witnesses at any moment. It may refuse to permit pleading by the parties, and it may base its verdict on documents and testimony which were not presented at the trial (p. 433).

One of the organizations which presented testimony at Geneva was the Association of Former Political Prisoners of Soviet Labor Camps.

No one man of our association was ever brought to trial, or permitted to confront witnesses, or hire counsel to defend himself.

Anyone who opposes the Soviet Government, on whatever policy, is classified under the Communist Criminal Code as a terrorist. Says the code:

There is no difference as between the judicial procedure and the administrative procedure in respect of such crimes and, more important, there is no power of defense of the interested party.

In describing the Russian absorption of Latvia, the Geneva report gives this account.

One night alone in June 1941, 3,322 children under the age of 16, 5,302 women, and 6,447 men were torn away from their homes and families without trial—by a single administrative order—were sent to slavery thousands of miles away from their native country, to work in most severe climatic conditions, with little food and under the constant supervision of their armed guards (p. 436).

The petition filed at Geneva by the AFL emphasized that the Soviet secret police were charged directly with responsibility for 14 percent of all the heavy construction work programed in the 5-year plan of 1941. The AFL document continued:

The MVD (now changed to MGB) was also in charge of building and maintenance of all national roads, as well as the construction of railroads in isolated regions. Since the end of the war the MVD has also been given additional responsibilities—the construction and operation of all atomic development, the extraction of timber, gold, coal, chrome, oil, and the production of consumer goods.

This makes the complete police state.

In some segments of the economy slave-labor production accounts for as much as one-half of the total production in a given industry.

Since 1938 approximately 75 percent of the gold production has been the result of forced labor. The Komi Republic was almost entirely in the hands of the MVD. Collective farms in that region were worked largely by families from the south who had been exiled to the Komi Republic for resisting the policy of collectivization (p. 439).

In the testimony of the International Confederation of Free Trade Unions we read that—

The network of Soviet concentration camps is steadily spreading into the heart of the Soviet Union. * * * Slave labor was first used in the lumber and mining industries. The secret Gosplan of 1941 extended the use of slave labor to some branches of manufacturing. This process has continued after the war.

The canal recently completed to connect the River Volga with the White Sea was constructed entirely by slave labor. Nobody knows how many men were assigned to the job, but the number must have been enormous; for when the project was completed an official announcement in Moscow extended amnesty to 127,000 canal diggers. Says the Geneva report:

That number was nearly the same as the total prison population in the Russian Empire in 1914. The figure was staggering when it was considered that it represented amnesties of persons connected with only two projects out of hundreds of enterprises undertaken by the MVD.

The report estimates that there are more than 200 slave labor camps in the U. S. S. R., 66 of which are in Siberia. In Estonia, alone, there are 42 slave camps, with a population of approximately 30,000, or about 12.5 percent of the entire labor force of that captive republic.

Living conditions in the slave camps are extremely rigorous.

Common criminals are placed in charge of the political offenders.

The MDV camp managers are given a production bonus.

It is consequently to the advantage of the officials to obtain a maximum output by setting very high-production norms, to keep down expenditure on upkeep and food, to use hunger as a means of exploitation, and even to eliminate the less productive elements altogether. The prisoners are kept on a starvation diet. They are forced to work beyond their physical capacities, and their living conditions are extremely primitive. They are poorly clothed and are exposed to all the rigors of the climate. Medical care is either entirely lacking or totally inadequate.

The sickness and death rates caused by such a life are very high, and the convicts have but slender chances of survival. In this respect, the regulations of the Ukhta-Pechora Camp are particularly revealing as to the inhuman fate reserved for prisoners and their children.

Since most of the prisoners in the camps are regarded as being opposed to the regime, the government has adopted a systematic policy of extermination. In the Vorkuta Camp in 1938, for instance, 1,300 prisoners were shot on the orders of a troika which had come from Moscow (p. 445).

Such is the picture today in the workers' fatherland. There freedom is dead, and liberty is but a gnawing aspiration, framed in the agonizing mirages of everlasting starvation.

FIRST INDEPENDENT OFFICES APPROPRIATIONS, 1954—CON- FERENCE REPORT

Mr. PHILLIPS submitted the following conference report and statement:

CONFERENCE REPORT (H. REPT. No. 881)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R.

4663) making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1954, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 5, 14, 21, 25, 26, 37, 38, 39, 63, 76, 78 and 81.

That the House recede from its disagreement to the amendments of the Senate numbered 1, 2, 3, 7, 8, 11, 15, 18, 20, 28, 30, 34, 35, 36, 40, 44, 48, 50, 58, 59, 60, 61, 65, 67 and 77, and agree to the same.

Amendment numbered 4: That the House recede from its disagreement to the amendment of the Senate numbered 4, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert: "\$8,500,000"; and the Senate agree to the same.

Amendment numbered 6: That the House recede from its disagreement to the amendment of the Senate numbered 6, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "\$476,670"; and the Senate agree to the same.

Amendment numbered 10: That the House recede from its disagreement to the amendment of the Senate numbered 10, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert: "\$88,000"; and the Senate agree to the same.

Amendment numbered 12: That the House recede from its disagreement to the amendment of the Senate numbered 12, and agree to the same with an amendment, as follows: Restore the matter stricken by said amendment, amending the first sum named therein as follows: "\$1,018,496"; and the Senate agree to the same.

Amendment numbered 13: That the House recede from its disagreement to the amendment of the Senate numbered 13, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert: "\$210,000"; and the Senate agree to the same.

Amendment numbered 16: That the House recede from its disagreement to the amendment of the Senate numbered 16, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert: "\$184,750"; and the Senate agree to the same.

Amendment numbered 17: That the House recede from its disagreement to the amendment of the Senate numbered 17, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert: "\$24,300"; and the Senate agree to the same.

Amendment numbered 19: That the House recede from its disagreement to the amendment of the Senate numbered 19, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert: "\$146,700"; and the Senate agree to the same.

Amendment numbered 22: That the House recede from its disagreement to the amendment of the Senate numbered 22, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert: "\$80,430"; and the Senate agree to the same.

Amendment numbered 23: That the House recede from its disagreement to the amendment of the Senate numbered 23, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert: "\$157,450"; and the Senate agree to the same.

Amendment numbered 24: That the House recede from its disagreement to the amendment of the Senate numbered 24, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amend-

ment insert: "\$30,750"; and the Senate agree to the same.

Amendment numbered 27: That the House recede from its disagreement to the amendment of the Senate numbered 27, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert: "\$93,400"; and the Senate agree to the same.

Amendment numbered 29: That the House recede from its disagreement to the amendment of the Senate numbered 29, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert: "\$176,275"; and the Senate agree to the same.

Amendment numbered 31: That the House recede from its disagreement to the amendment of the Senate numbered 31, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert: "\$193,550"; and the Senate agree to the same.

Amendment numbered 32: That the House recede from its disagreement to the amendment of the Senate numbered 32, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert: "\$3,215,550"; and the Senate agree to the same.

Amendment numbered 41: That the House recede from its disagreement to the amendment of the Senate numbered 41, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert: "\$6,950,000"; and the Senate agree to the same.

Amendment numbered 45: That the House recede from its disagreement to the amendment of the Senate numbered 45, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert: "\$3,560"; and the Senate agree to the same.

Amendment numbered 47: That the House recede from its disagreement to the amendment of the Senate numbered 47, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert: "251,650"; and the Senate agree to the same.

Amendment numbered 49: That the House recede from its disagreement to the amendment of the Senate numbered 49, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert: "\$310,000"; and the Senate agree to the same.

Amendment numbered 51: That the House recede from its disagreement to the amendment of the Senate numbered 51, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert: "\$5,630"; and the Senate agree to the same.

Amendment numbered 52: That the House recede from its disagreement to the amendment of the Senate numbered 52, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert: "\$125,000"; and the Senate agree to the same.

Amendment numbered 54: That the House recede from its disagreement to the amendment of the Senate numbered 54, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert: "\$89,500"; and the Senate agree to the same.

Amendment numbered 55: That the House recede from its disagreement to the amendment of the Senate numbered 55, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert: "\$8,000,000"; and the Senate agree to the same.

Amendment numbered 56: That the House recede from its disagreement to the amendment of the Senate numbered 56, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert: "\$272,150"; and the Senate agree to the same.

Amendment numbered 57: That the House recede from its disagreement to the amendment of the Senate numbered 57, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert: "\$127,000"; and the Senate agree to the same.

Amendment numbered 62: That the House recede from its disagreement to the amendment of the Senate numbered 62, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert: "\$12,500"; and the Senate agree to the same.

Amendment numbered 64: That the House recede from its disagreement to the amendment of the Senate numbered 64, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert: "\$13,500"; and the Senate agree to the same.

Amendment numbered 66: That the House recede from its disagreement to the amendment of the Senate numbered 66, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert: "\$6,260"; and the Senate agree to the same.

Amendment numbered 68: That the House recede from its disagreement to the amendment of the Senate numbered 68, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert: "\$3,250,000"; and the Senate agree to the same.

Amendment numbered 69: That the House recede from its disagreement to the amendment of the Senate numbered 69, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert: "\$108,175"; and the Senate agree to the same.

Amendment numbered 70: That the House recede from its disagreement to the amendment of the Senate numbered 70, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert: "\$525,625"; and the Senate agree to the same.

Amendment numbered 71: That the House recede from its disagreement to the amendment of the Senate numbered 71, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert: "\$27,000"; and the Senate agree to the same.

Amendment numbered 72: That the House recede from its disagreement to the amendment of the Senate numbered 72, and agree to the same with an amendment, as follows: Restore the matter stricken by said amendment, amending the sum named therein as follows: "\$25,000"; and the Senate agree to the same.

Amendment numbered 73: That the House recede from its disagreement to the amendment of the Senate numbered 73, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert: "\$5,450"; and the Senate agree to the same.

Amendment numbered 74: That the House recede from its disagreement to the amendment of the Senate numbered 74, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert: "\$5,322,800"; and the Senate agree to the same.

Amendment numbered 75: That the House recede from its disagreement to the amendment of the Senate numbered 75, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert: "\$157,750"; and the Senate agree to the same.

Amendment numbered 79: That the House recede from its disagreement to the amend-

ment of the Senate numbered 79, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert: "\$10,975,000"; and the Senate agree to the same.

Amendment numbered 80: That the House recede from its disagreement to the amendment of the Senate numbered 80, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert: "\$800,000"; and the Senate agree to the same.

The committee of conference report in disagreement amendments numbered 9, 33, 42, 43, 46 and 53.

JOHN PHILLIPS,
NORRIS COTTON,
CHARLES R. JONAS,
OTTO KRUEGER,
JOHN TABER,
ALBERT THOMAS,
GEORGE ANDREWS,
CLARENCE CANNON,

Managers on the Part of the House.

LEVERETT SALTONSTALL,
HOMER FERGUSON,
STYLES BRIDGES,
GUY CORDON,
BURNET R. MAYBANK,
LISTER HILL,
ALLEN J. ELLENDER,

Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 4663) making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1954, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying conference report as to each of such amendments, namely:

EXECUTIVE OFFICE OF THE PRESIDENT

Emergency fund for the President

Amendment No. 1—National Defense: Appropriates \$300,000, as proposed by the Senate, instead of \$500,000, as proposed by the House.

INDEPENDENT OFFICES

American Battle Monuments Commission

Amendment No. 2—Salaries and expenses: Authorizes the use of \$12,000 for expenses of travel, as proposed by the Senate, instead of \$8,000, as proposed by the House.

Amendments Nos. 3, 4 and 5—Construction of memorials and cemeteries: Authorize the use of \$41,276 for expenses of travel, as proposed by the Senate, instead of \$27,520, as proposed by the House; and appropriate \$8,500,000 for such construction, instead of \$9,500,000, as proposed by the House, and \$4,500,000 plus \$4,000,000 in the form of foreign currencies or credits, as proposed by the Senate.

Civil Service Commission

Amendments Nos. 6 and 7—Salaries and expenses: Appropriate \$17,000,000, as proposed by the Senate, instead of \$16,064,323, as proposed by the House; and authorize the use of \$476,670 for expenses of travel, instead of \$383,335 as proposed by the House and \$570,000 as proposed by the Senate.

Federal Communications Commission

Amendment No. 8—Land and structures: Authorizes the use of \$13,000 for such purpose, as proposed by the Senate, instead of \$3,000, as proposed by the House.

Amendment No. 9—Purchase of automobiles: Reported in disagreement.

Amendments Nos. 10, 11, and 12—Salaries and expenses: Authorize the use of \$88,000 for expenses of travel, instead of \$73,335 as proposed by the House and \$90,000

as proposed by the Senate; appropriate \$7,400,000 as proposed by the Senate, instead of \$7,100,000 as proposed by the House; and restore the provision of the House making specific amounts available for application processing in connection with television licenses and licenses for safety and special services amended to provide that not less than \$1,018,496 shall be available for TV application processing.

Federal Power Commission

Amendment No. 13—Salaries and expenses: Authorizes the use of \$210,000 for expenses of travel, instead of \$173,335 as proposed by the House and \$240,000 as proposed by the Senate.

Federal Trade Commission

Amendments Nos. 14 and 15—Salaries and expenses: Appropriate \$4,053,800 as proposed by the Senate, instead of \$4,178,800 as proposed by the House; and authorize the use of \$163,035 for expenses of travel as proposed by the House, instead of \$196,435 as proposed by the Senate. The conference committee was urged to authorize the use of funds appropriated to the Commission for employment of a firm of management consultants to make a survey of the Commission. Under the rules of conference the conferees were unable to comply with this request. However, it is believed the project is desirable, and it is suggested that the Commission call upon the Bureau of the Budget for assistance in this connection, a substantial sum having been recently provided this agency for improvement of management in the executive branch.

General Services Administration

Amendment No. 16—Operating expenses: Authorizes the use of \$184,750 for expenses of travel, Public Buildings Service, instead of \$161,200 as proposed by the House and \$208,300 as proposed by the Senate.

Amendments Nos. 17 and 18—Emergency operating expenses: Appropriate \$20,000,000 as proposed by the Senate, instead of \$22,668,250 as proposed by the House; and authorize the use of \$24,300 for expenses of travel, instead of \$22,865 as proposed by the House and \$30,000 as proposed by the Senate.

Amendments Nos. 19 and 20—Repair, improvement and equipment, outside the District of Columbia: Appropriate \$14,000,000 as proposed by the Senate, instead of \$18,000,000 as proposed by the House, and authorize the use of \$146,700 for expenses of travel, instead of \$133,400 as proposed by the House and \$160,000 as proposed by the Senate.

Amendment No. 21—Remodeling of Congress Street Post Office, Chicago, Ill.: Authorizes the use of \$800 for expenses of travel as proposed by the House, instead of \$1,200 as proposed by the Senate.

Amendments Nos. 22 and 23—Federal Supply Service: Authorize the use of \$80,430 for expenses of travel, operating expenses, instead of \$79,865 as proposed by the House and \$81,000 as proposed by the Senate; and \$157,450 for expenses of travel under the heading "Expenses, general supply fund," instead of \$140,700 as proposed by the House and \$174,200 as proposed by the Senate.

Amendments Nos. 24, 25 and 26—National Archives and Records Service: Appropriate \$5,625,000 as proposed by the House, instead of \$5,525,000 as proposed by the Senate; provide \$200,000 for nitrate film conversion as proposed by the House instead of \$100,000 as proposed by the Senate; and authorize the use of \$30,750 for expenses of travel, instead of \$24,600 as proposed by the House and \$36,900 as proposed by the Senate.

Amendments Nos. 27 and 28—Administrative operations: Appropriate \$4,200,000 as proposed by the Senate, instead of \$4,140,750 as proposed by the House; and authorize \$93,400 for expenses of travel, instead of \$88,600 as proposed by the House and \$98,200 as proposed by the Senate.

Amendment No. 29—Strategic and critical materials: Authorizes the use of \$176,275 for

expenses of travel, instead of \$143,000 as proposed by the House and \$209,550 as proposed by the Senate.

Amendment No. 30—Purchase of typewriters: Strikes out the proposal of the House to include State governments as an exception within the provisions of the limitation.

HOUSING AND HOME FINANCE AGENCY

Office of the Administrator

Amendments Nos. 31 and 32—Salaries and expenses: Appropriate \$3,215,550, instead of \$2,587,100 as proposed by the House and \$3,455,000 as proposed by the Senate, the reduction below the Senate proposal consisting of \$103,450 for agencywide program coordination and supervision and \$136,000 for programming of defense housing and community facilities; and authorize the use of \$193,550 for expenses of travel, instead of \$175,800 as proposed by the House and \$211,300 as proposed by the Senate.

Amendment No. 33: Reported in disagreement.

Amendments Nos. 34, 35 and 36—Miscellaneous provisions: Strike out provisions in the House bill proposing a reorganization survey, assigning certain reorganization powers to the Administrator, and fixing a limit on expenditures in connection with loans to educational institutions, as proposed by the Senate.

Amendment No. 37—Defense community facilities and services: Reappropriates not to exceed \$112,500 for administrative expenses, as proposed by the House, instead of \$115,000 as proposed by the Senate.

Amendments Nos. 38, 39, and 40—Capital grants for slum clearance and urban redevelopment: Restore the provision of the House bill requiring the administrator to give consideration to the efforts of the locality to enforce local codes and regulations; restore the provision of the House requiring that the authority under title I of the National Housing Act shall be used to the utmost in connection with slum rehabilitation needs; and strike out the proposal of the House excluding expenditures by the community for parks, playgrounds, public buildings, or similar facilities as being counted as a part of the one-third contribution required of such community.

Public Housing Administration

Amendment No. 41—Administrative expenses: Appropriates \$6,950,000, instead of \$4,948,000 as proposed by the House and \$8,000,000 as proposed by the Senate.

Amendment No. 42—Rejection of project by community: Reported in disagreement.

Amendment No. 43—Authorization of additional dwelling units: Reported in disagreement. The managers on the part of the House will recommend the commencement of construction of not more than twenty thousand dwelling units during the fiscal year 1954, such units being provided initially to meet requirements under contracts executed prior to July 5, 1952, in which there is no escape clause, the remaining units being applied to other projects which have contracts for dwelling units but in which the escape clause is included. The conferees further recommend that in addition to the study of the low-rent housing program specifically required in the amendment to be offered, that such survey include all housing programs under the jurisdiction of the Agency.

INDIAN CLAIMS COMMISSION

Amendments Nos. 44 and 45—Salaries and expenses: Appropriate \$117,020, as proposed by the Senate, instead of \$111,020, as proposed by the House; and authorize the use of \$3,560 for expenses of travel, instead of \$2,845 as proposed by the House and \$4,270 as proposed by the Senate. The increase in funds provided this agency is allowed with a view to expediting the work of the commission and bringing its duties to a conclusion at an early date.

INTERSTATE COMMERCE COMMISSION

Amendment No. 46—Purchase of automobiles: Reported in disagreement.

Amendments Nos. 47 and 48—General expenses: Appropriate \$9,665,000, as proposed by the Senate, instead of \$9,466,176, as proposed by the House, including funds to implement the report of the Wolf Management Engineering Company submitted last December. In lieu of the proposal of the Senate, the conferees have agreed to the proposal of the House requiring that the sum of \$1,793,157 requested for work relating to safety and field in the Bureau of Motor Carriers be distributed to other work of the Commission which is regarded as of greater importance than such safety and field work. The conferees have authorized the use of \$251,650 for expenses of travel, instead of \$212,645 as proposed by the House and \$290,650 as proposed by the Senate.

NATIONAL ADVISORY COMMITTEE FOR AERONAUTICS

Amendments Nos. 49 and 50—Salaries and expenses: Appropriate \$51,000,000 as proposed by the Senate, instead of \$52,988,050 as proposed by the House; and authorize the use of \$310,000 for expenses of travel, instead of \$216,700 as proposed by the House and \$325,000 as proposed by the Senate.

NATIONAL CAPITAL PLANNING COMMISSION

Amendments Nos. 51 and 52—Salaries and expenses: Appropriate \$125,000, instead of \$97,915 as proposed by the House and \$155,000 as proposed by the Senate.

Amendment No. 53—Land acquisition: Reported in disagreement.

NATIONAL SCIENCE FOUNDATION

Amendments Nos. 54 and 55—Salaries and expenses: Appropriate \$8,000,000, instead of \$5,724,400 as proposed by the House and \$10,000,000 as proposed by the Senate; and authorize the use of \$89,500 for expenses of travel, instead of \$78,000 as proposed by the House and \$101,000 as proposed by the Senate.

RENEGOTIATION BOARD

Amendment No. 56—Expenses of travel: Authorizes the use of \$272,150 for expenses of travel, instead of \$238,700 as proposed by the House and \$305,600 as proposed by the Senate.

SECURITIES AND EXCHANGE COMMISSION

Amendments Nos. 57 and 58—Salaries and expenses: Appropriate \$5,000,000 as proposed by the Senate, instead of \$5,245,080 as proposed by the House; and authorize the use of \$127,000 for expenses of travel, instead of \$104,170 as proposed by the House and \$150,000 as proposed by the Senate.

SMITHSONIAN INSTITUTION

Amendments Nos. 59 and 60—Salaries and expenses: Appropriate \$3,000,000 as proposed by the Senate, instead of \$2,897,500, as proposed by the House; and authorize the use of \$10,225 for expenses of travel, as proposed by the Senate instead of \$6,825 as proposed by the House.

Amendment No. 61—Salaries and expenses, National Gallery of Art: Authorizes the use of \$1,800 for expenses of travel, as proposed by the Senate, instead of \$1,600 as proposed by the House.

SUBVERSIVE ACTIVITIES CONTROL BOARD

Amendments Nos. 62 and 63—Salaries and expenses: Authorize the use of \$12,500 for expenses of travel, instead of \$10,000 as proposed by the House and \$15,000 as proposed by the Senate; and the use of \$100 for purchase of newspapers and periodicals, as proposed by the House, instead of \$500, as proposed by the Senate.

TARIFF COMMISSION

Amendment No. 64—Salaries and expenses: Authorizes the use of \$13,500 for expenses of travel, instead of \$11,335, as proposed by the House and \$14,500 as proposed by the Senate.

THE TAX COURT OF THE UNITED STATES

Amendment No. 65—Salaries and expenses: Authorizes the use of \$45,000 for expenses of travel as proposed by the Senate, instead of \$40,000 as proposed by the House.

WAR CLAIMS COMMISSION

Amendments Nos. 66 and 67—Administrative expenses: Appropriate \$850,000, as proposed by the Senate, instead of \$750,000, as proposed by the House; and authorize the use of \$6,260 for expenses of travel, instead of \$5,000 as proposed by the House and \$7,520 as proposed by the Senate. In providing the increased amount proposed by the Senate the conferees recommend that the additional sum be used to assist in the early completion of the work of the Commission.

TITLE II—CORPORATIONS

HOUSING AND HOME FINANCE AGENCY

Amendments Nos. 68 and 69—Federal National Mortgage Association: Authorize the use of \$3,250,000 of available funds for administrative expenses, instead of \$2,300,000 as proposed by the House and \$4,200,000 as proposed by the Senate; and authorize the use of \$108,175 for expenses of travel, instead of \$95,750 as proposed by the House and \$120,600 as proposed by the Senate.

Amendments Nos. 70 and 71—Housing loan programs: Authorize the use of \$525,625 from available funds for administrative expenses, instead of \$411,250 as proposed by the House and \$640,000 as proposed by the Senate; and authorize the use of \$27,000 for expenses of travel, instead of \$26,330 as proposed by the House and \$27,600 as proposed by the Senate.

Amendment No. 72—Home Loan Bank Board: Authorizes the use of \$25,000 for expenses of travel, instead of \$20,000 as proposed by the House and the elimination of such limitation as proposed by the Senate.

Amendment No. 73—Federal Savings and Loan Insurance Corporation: Authorizes the use of \$5,450 for expenses of travel, instead of \$4,370 as proposed by the House and \$6,500 as proposed by the Senate.

Amendments Nos. 74, 75, 76, 77, and 78—Federal Housing Administration: Authorize the use of \$5,322,800 for administrative expenses, instead of \$5,045,590 as proposed by the House and \$5,600,000 as proposed by the Senate; authorize the use of \$157,750 for expenses of travel, instead of \$131,000 as proposed by the House and \$184,500 as proposed by the Senate; authorize the use of \$500 for the purchase of periodicals and newspapers as proposed by the House instead of \$1,500 as proposed by the Senate; provide \$26,500,000 for nonadministrative expenses, as proposed by the Senate, instead of \$27,500,000 as proposed by the House; and restore the provision of the House repealing the authorization for the position of Assistant Commissioner established pursuant to section 213 (f) of the National Housing Act, as amended.

Amendments Nos. 79, 80 and 81—Public Housing Administration: Authorize the use of \$10,975,000 of available funds for administrative expenses, instead of \$8,973,000 as proposed by the House and \$13,025,000 as proposed by the Senate; authorize the use of \$800,000 for expenses of travel, instead of \$685,300 as proposed by the House and \$916,000 as proposed by the Senate; and restore the proposal of the House requiring the Commissioner to make every effort to refund local bonds held by PHA.

JOHN PHILLIPS,
NORRIS COTTON,
CHARLES R. JONAS,
OTTO KRUEGER,
JOHN TABER,
ALBERT THOMAS,
GEORGE ANDREWS,
CLARENCE CANNON,

Managers on the Part of the House.

SECOND INDEPENDENT OFFICES
APPROPRIATIONS, 1954—CON-
FERENCE REPORT

Mr. PHILLIPS submitted the following conference report and statement:

CONFERENCE REPORT (H. REPT. No. 882)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 5690) making appropriations for additional independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1954, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 2, 7 and 8.

That the House recede from its disagreement to the amendments of the Senate numbered 4, 5, 6, 10, 12, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 27, 28, 29, 30 and 31, and agree to the same.

Amendment numbered 1: That the House recede from its disagreement to the amendment of the Senate numbered 1, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert: "\$2,564,130"; and the Senate agree to the same.

Amendment numbered 26: That the House recede from its disagreement to the amendment of the Senate numbered 26, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert: "\$17,500,000"; and the Senate agree to the same.

The committee of conference report in disagreement amendments numbered 3, 9, 11, 13, 24 and 25.

JOHN PHILLIPS,
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CHARLES R. JONAS,
OTTO KRUEGER,
JOHN TABER,
ALBERT THOMAS,
GEORGE ANDREWS,
SIDNEY R. YATES,
CLARENCE CANNON,

Managers on the Part of the House.

LEVERETT SALTONSTALL,
HOMER FERGUSON,
STYLES BRIDGES,
GUY CORDON,
BOURKE B. HICKENLOOPER,
BURNET R. MAYBANK,
LISTER HILL,
ALLEN J. ELLENDER,

Managers on the part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 5690) making appropriations for additional independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1954, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying conference report as to each of such amendments, namely:

ATOMIC ENERGY COMMISSION

Operating expenses

Amendment No. 1—Expenses of travel: Authorizes the use of \$2,564,130 for this purpose, instead of \$2,389,130 as proposed by the House and \$2,739,130 as proposed by the Senate.

Amendment No. 2—Increase in rental charges: Strikes out the language proposed

by the Senate that no part of the appropriation for the Atomic Energy Commission shall be used to raise the rents or other charges of present occupants, pending sale or other disposition of housing owned by the Atomic Energy Commission, above the levels of June 1, 1953.

Plant and equipment

Amendment No. 3—Purchase of automobiles: Reported in disagreement.

Amendments Nos. 4, 5, and 6: Strike out the language proposed by the House providing for research and development for a single atomic power reactor and insert language proposed by the Senate for more than one such reactor. In this connection, it is the intent of the committee of conference to provide for development of a single large reactor in this field, but that several small ones may also be started if such is determined to be necessary.

Amendment No. 7: Strikes out language proposed by the Senate to limit the requirement of funds that must be available to meet the currently estimated cost at the start of such construction.

Amendment No. 8: Strikes out the provision of the Senate which would exempt projects for the alteration, extension, or improvement of technical or production facilities from requirements of certain provisions of the bill.

Amendment No. 9—Access roads: Reported in disagreement. In connection with the action to be recommended by the managers on the part of the House, the committee of conference adopts the language contained in the Senate report that it is not good legislative technique to allow funds in one bill that have been disallowed in another bill, and emphasizes that its action in this recommendation to take care of an urgent need is not to be taken as a precedent for future action.

Amendment No. 10—Transfer of funds: Inserts the language of the Senate amendment authorizing the transfer of not to exceed 5 per centum between appropriations to the Atomic Energy Commission.

TENNESSEE VALLEY AUTHORITY

Amendment No. 11: Reported in disagreement.

Amendment No. 12—Limitation on salaries: Strikes out the language of the House as proposed by the Senate in connection with the limitation on the salary of any employee of TVA in the District of Columbia. The committee of conference is in agreement that no salary in the District of Columbia for this agency should exceed \$10,000, and that such a requirement shall be effective whenever any position affected by this provision is no longer occupied by a present incumbent.

Amendment No. 13—Resource development: Reported in disagreement. In connection with the amendment to be recommended by the managers on the part of the House, the conferees also have approved \$500,000 for resource development earmarked for such purpose by the Senate from the appropriation of \$188,371,000 for TVA contained in the bill.

VETERANS' ADMINISTRATION

Amendment No. 14—General operating expenses: Authorizes the use of \$3,200,000 for expenses of travel as proposed by the Senate, instead of \$2,675,720 as proposed by the House.

Amendment No. 15—Medical administration and miscellaneous operating expenses: Authorizes the use of \$856,000 for expenses of travel as proposed by the Senate, instead of \$753,800 as proposed by the House.

Amendment No. 16—Maintenance and operation of hospitals: Authorizes the use of \$305,000 for expenses of travel as proposed by

the Senate, instead of \$270,000 as proposed by the House.

Amendment No. 17—Maintenance and operation of domiciliary facilities: Authorizes the use of \$4,800 for expenses of travel as proposed by the Senate, instead of \$3,200 as proposed by the House.

Amendment No. 18—Out-patient care: Authorizes the use of \$196,000 for expenses of travel of employees as proposed by the Senate, instead of \$190,140 as proposed by the House.

Amendments Nos. 19, 20 and 21—Out-patient dental care: Insert language as proposed by the Senate in connection with fee basis dental care; and strike out language as proposed by the Senate in connection with the time during which application for treatment must be made. In connection with the limitation on dental care, it is the understanding of the conferees that Spanish-American War veterans will not be affected by this provision. It is also recommended that the legislative committee look into the matter of dental care early in the next session of the Congress.

Amendment No. 22—Maintenance and operation of supply depots: Authorizes the use of \$18,200 for expenses of travel as proposed by the Senate, instead of \$13,000 as proposed by the House.

Amendment No. 23—Readjustment benefits: Inserts language as proposed by the Senate exempting commitments for loans made by the Veterans Administration prior to September 1, 1953 from the provisions of the proviso pertaining to certain payments by the Veterans Administration.

Amendment No. 24: Reported in disagreement.

Amendment No. 25—Hospital and domiciliary facilities: Reported in disagreement.

Amendment No. 26—Hospital and domiciliary facilities: Appropriates \$17,500,000, instead of \$2,500,000 as proposed by the Senate and \$48,867,000 as proposed by the House. The amount recommended by the conferees will provide funds for planning for hospital construction at San Francisco, California, Topeka, Kansas, and Houston, Texas, will provide funds to get started on construction at these three projects, and enable VA to conduct a survey of the hospital construction program and the sites owned by them and report by February 1, 1954.

Amendment No. 27: Strikes out provisions of the House, as proposed by the Senate, which require that funds be available to complete projects before commencing construction, and which establish limitations on the percentage of construction funds that may be used for planning.

Amendment No. 28—Transfer of funds: Inserts language as proposed by the Senate limiting funds that may be transferred between certain appropriations to not to exceed 10 per centum of the appropriation so augmented.

Amendment No. 29—Travel limitation: Strikes out language proposed by the House and inserts language proposed by the Senate, which excepts uncompensated officials of local boards and appeal boards of the Selective Service System from travel limitations contained in the bill.

Amendment No. 30—Limitation on funds available for personnel engaged in information, publicity, editorial, and similar work: Strikes out language proposed by the House to reduce personnel employed in this type of work, as proposed by the Senate.

Amendment No. 31: Corrects a section number.

JOHN PHILLIPS,
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CHARLES R. JONAS,
OTTO KRUEGER,
JOHN TABER,
ALBERT THOMAS,
GEORGE ANDREWS,
SIDNEY R. YATES,
CLARENCE CANNON,

Managers on the Part of the House.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the Appendix of the RECORD, or to revise and extend remarks, was granted to:

Mr. TALLE and to include pertinent material relating to rehabilitation.

Mr. ANGELL in two instances and to include extraneous matter.

Mr. CLARDY and to include an article.

Mr. BAKER and to include an editorial.

Mr. JONAS of North Carolina and to include an article.

Mr. FARRINGTON in two instances and to include extraneous matter.

Mr. SIKES and to include a very able statement from the pen of Stewart Alsop which appeared on July 19.

Mr. PRICE in five instances and to include extraneous matter.

Mr. PERKINS in 2 instances, in 1 to include extraneous matter.

Mr. BYRD and to include extraneous matter.

Mr. WIER and to include an article from the Minneapolis Tribune.

Mr. MADDEN and to include an editorial.

Mr. MILLER of Kansas.

Mr. HALEY and to include an editorial.

Mr. HARVEY and to include an article.

Mr. SIMPSON of Illinois and to include an editorial from the Quincy (Ill.) Herald Whig.

Mr. REED of New York.

Mr. McCORMACK in two instances and to include two editorials.

Mr. EDMONDSON and to include an editorial.

Mr. CARNAHAN and to include extraneous matter.

Mr. SECREST to revise and extend the remarks he made on the second independent offices conference report earlier in the day.

Mr. BOYKIN.

Mr. GATHINGS and to include a speech delivered by Hon. JAMES C. DAVIS, of Georgia, before the South Carolina Press Association at Blowing Rock, N. C., on Saturday, July 18, 1953.

Mr. CURTIS of Nebraska prior to the vote on the bill extending the Federal hospital program.

Mr. MACK of Illinois immediately following the remarks of Mr. COOPER on H. R. 4152.

Mr. SIEMINSKI in three instances and to include extraneous matter.

Mr. VORYS and Mr. GROSS to revise and extend their remarks made in Committee.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. WIGGLESWORTH (at the request of Mr. HESELTON) for the week of July 20, on account of illness.

Mr. SCHENCK (at the request of Mr. MCGREGOR) for an indefinite period, on account of illness.

Mr. HOWELL (at the request of Mr. DURHAM) for July 20, 1953, on account of death in family.

SENATE BILLS REFERRED

Bills and a concurrent resolution of the Senate of the following titles were

taken from the Speaker's table and, under the rule, referred as follows:

S. 61. An act for the relief of Hedwig Marek and Emma Elizabeth Marek; to the Committee on the Judiciary.

S. 144. An act for the relief of the Cavalier County Fair Association; to the Committee on the Judiciary.

S. 205. An act for the relief of Evdoxia J. Kitsos; to the Committee on the Judiciary.

S. 323. An act for the relief of Rose Cohen; to the Committee on the Judiciary.

S. 541. An act to extend detention benefits under the War Claims Act of 1948 to employees of contractors with the United States; to the Committee on Interstate and Foreign Commerce.

S. 550. An act for the relief of Thomas O. Robitscher; to the Committee on the Judiciary.

S. 563. An act for the relief of Ronald Lee Shields; to the Committee on the Judiciary.

S. 569. An act for the relief of Lina Anna Adelheid (Adam) Hoyer; to the Committee on the Judiciary.

S. 596. An act for the relief of Alfonso Albano; to the Committee on the Judiciary.

S. 672. An act for the relief of Agostino Giusto; to the Committee on the Judiciary.

S. 727. An act to provide that certain costs and expenses incurred in connection with certain repayment contracts with irrigation districts approved by the acts of Congress of May 6, 1949 (63 Stat. 62), October 27, 1949 (63 Stat. 941), and June 23, 1952 (66 Stat. 151, 153) shall be nonreimbursable; to the Committee on Interior and Insular Affairs.

S. 825. An act for the relief of Karin Rita Grubb; to the Committee on the Judiciary.

S. 887. An act to permit the exchange and amendment of farm units on Federal irrigation projects, and for other purposes; to the Committee on Interior and Insular Affairs.

S. 1152. An act to extend for a period of 5 years the authority of the Secretary of Agriculture to make loans to fur farmers; to the Committee on Agriculture.

S. 1197. An act granting the consent of Congress to the negotiation by the States of Nebraska, Wyoming, and South Dakota of certain compacts with respect to the use of waters common to two or more of said States; to the Committee on Interior and Insular Affairs.

S. 1456. An act to amend the act entitled "An act to authorize a permanent annual appropriation for the maintenance and operation of the Gorgas Memorial Laboratory," approved May 7, 1928, as amended; to the Committee on Foreign Affairs.

S. 1704. An act for the relief of Christina Pantellis Triantafyllu; to the Committee on the Judiciary.

S. 1955. An act for the relief of Giorgio Salvini Thompson; to the Committee on the Judiciary.

S. 2137. An act to prohibit the blending of wheat imported as unfit for human consumption with wheat suitable for human consumption; to the Committee on the Judiciary.

S. 2175. An act to amend title VI of the Legislative Reorganization Act of 1946, as amended, with respect to the retirement of employees in the legislative branch; to the Committee on Post Office and Civil Service.

S. 2320. An act to change the date for the beginning of annual assessment work on mining claims held by location in the United States, including the Territory of Alaska, from the 1st day of July to the 1st day of October and to extend the time during which annual assessment work on such claims may be made for the year beginning July 1, 1952, to the 1st day of October 1953; to the Committee on Interior and Insular Affairs.

S. Con. Res. 41. Concurrent resolution favoring the suspension of deportation of cer-

Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE
(For Department Staff Only)

Issued July 22, 1953
For actions of July 21, 1953
83rd-1st, No. 136

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HIGHLIGHTS: Senate passed FCA reorganization bill. House committee reported Wheat Agreement. House Rules Committee cleared trade agreements bill. House agreed to conference report on 1st independent offices appropriation bill. Both Houses agreed to conference report on State, Justice, Commerce appropriation bill. Both Houses completed congressional action on Army civil appropriation bill. Senate committee reported bill to continue sugar agreement. Sen. Johnson, Tex., urged water conservation program. Rep. Ikard criticized USDA instructions for distributing drought-relief feed. Rep. Hagen criticized USDA stand on cotton allotments.

SENATE

- 1. FCA REORGANIZATION.** Passed H. R. 4353, to provide for reorganization of the Farm Credit Administration, with an amendment substituting the language of S. 1505 as reported. Sens. Schoeppel, Thye, Mundt, Hoey, and Holland were appointed conferees. (pp. 9693-702.)
- 2. APPROPRIATIONS.** Both Houses agreed to the conference report on H. R. 5376, the Army civil appropriation bill (which contains flood-control items), and acted on amendments which had been reported in disagreement (pp. 9672, 9593-9). This bill will now be sent to the President.
Both Houses agreed to the conference report on H. R. 4974, the State, Justice, Commerce appropriation bill for 1954, and acted on amendments which had been reported in disagreement. Senate conferees were appointed for a further conference on one amendment in disagreement. (pp. 9658-9, 9573-82).
H. R. 5969, the defense appropriation bill, was made the unfinished business (p. 9702).
- 3. SUGAR.** The Foreign Relations Committee reported without reservation Executive L, a protocol prolonging for 3 years after August 31, 1952, the international agreement regarding the regulation of production and marketing of sugar (S. Ex. Rept. 6)(p. 9612).
- 4. RUBBER.** Passed with amendments H. R. 5728, providing for sale of Government rubber-producing facilities (pp. 9645, 9652-3, 9655-8, 9661-76, 9673-92).

5. SMALL BUSINESS. Senate and House conferees were appointed on H. R. 5141, to create a Small Business Administration (pp. 9651-3, 9566).
6. PERSONNEL. Passed without amendment H. R. 5228, to provide annuities for retired Comptrollers General (pp. 9645, 9651-2). This bill will now be sent to the President.
7. FOOD INSPECTION. A subcommittee of the Labor and Public Welfare Committee voted to report to the full committee H. R. 5740, to restore Food and Drug Administration authority for factory inspections (p. D746).
8. WATER CONSERVATION. Sen. Johnson, Tex., urged a water-conservation program to prevent drought and floods (pp. 9612-3, 9617).

HOUSE

9. TRADE AGREEMENTS. The Rules Committee reported a resolution for consideration of H. R. 5094, to further amend the Trade Agreements Extension Act to provide additional protection to American workers, farmers, etc. (pp. 9566, 9610).
10. LAND TRANSFERS. The Agriculture Committee reported with amendment H. R. 107, to transfer the site of the original Ft. Buford to N. Dak (H. Rept. 891) (p. 9610).
A subcommittee of the Government Operations Committee voted to report to the full Committee H. R. 5605, providing that transfers of real property from certain agencies (including CCC and certain FCA agencies) shall not operate to remove such real property from local tax rolls (p. D748).
11. CONTRACTS. The Judiciary Committee reported with amendment H. R. 1825, to prescribe policy and procedure in connection with construction contracts made by executive agencies (H. Rept. 892) (p. 9610).
12. WHEAT AGREEMENT. The Banking and Currency Committee reported without amendment S. J. Res. 97, to carry out the new International Wheat Agreement (H. Rept. 893) (p. 9610).
13. APPROPRIATIONS. Agreed to the conference report on H. R. 4663, the first independent offices appropriation bill for 1954 (pp. 9583-93).
14. DROUGHT RELIEF. Reps. Ikard, Rogers (Tex.), Marshall, Rayburn, Poage, and others criticized the Department's recent telegram containing instructions for dispensing Government surplus feed in the drought area (pp. 9605-8).
15. COTTON QUOTAS. Rep. Hagen, Calif., criticized John H. Davis' testimony before the House Agriculture Committee regarding H. R. 5669, Rep Hagen's bill on cotton allotments and quotas (pp. 9608-9).
16. FOREIGN AID. Rep. Rogers, Mass., commended the President's renewed offer of food for East Germany (p. 9609).
17. WATER UTILIZATION. The Interior and Insular Affairs Committee ordered reported (but did not actually report) S. 1197, consenting to a water compact between Nebr., Wyo., and S. Dak., and H. R. 4854, authorizing the Foster Creek irrigation works, Wash. (p. D748).

BILLS INTRODUCED

18. SURPLUS PROPERTY. H. R. 6432, by Rep. Lantaff, to permit disposal of surplus property for State and local health programs; to Government Operations

committee cut off that special subcommittee which has been so highly commended by the people of the Detroit, Kansas City, Mo., and Los Angeles areas as of Saturday next. Why? Just because—if they will excuse my language, and I apologize for it—they did not know what they were doing; they did not foresee the inevitable result of their action. They had not paid attention to what the special subcommittees were doing and they neither called upon nor asked their chairman for any information though the papers of all three cities carried pages of information commendatory of the special subcommittee actions.

This matter of bidding at Iron Mountain was settled, the bids were reopened; these gentleman were given an opportunity to bid, which was all the Congressman and the two Senators asked. It was established to the satisfaction, I think, of the gentleman from Michigan [Mr. BENNETT], and the Senators that the Fontanas could not in the limited time available carry out the provisions of the contract. Now, that is all there was to that hearing. Could not produce the plans needed in the time allotted, though I may be in error on that point. Yet Drew Pearson came along and said that a Congressman from the Fourth District of Michigan set up that committee and hearing to get votes for his constituents. Why, bless the gentleman's heart, it is 400 miles from Iron Mountain to my district. Iron Mountain is across in the upper peninsula of Michigan. But we asked Mr. Pearson about it because when he charged a committee with acting for improper purposes I wanted to hear from Mr. Pearson whether or not he told the truth—once. He was in; he was put under oath. Here are his statements—just a few:

The CHAIRMAN. I am asking you again, Is that statement true or false, that CLARE HOFFMAN represents those two men?

Mr. PEARSON. I was trying to give you the answer when you interrupted.

The CHAIRMAN. I am sorry I interrupted. Just say it is true or false.

Mr. PEARSON. I have already testified—

The CHAIRMAN. What do you say now?

Mr. PEARSON. I have already testified that CLARE HOFFMAN was not their Congressman.

The CHAIRMAN. Then the statement is false.

Mr. PEARSON. It is false.

He admitted that his statements were false. Then he tried to excuse himself by saying: that if I, a Member of Congress, was trying to help a small-business man up in northern Michigan I was trying to get votes for myself from the small-business man in southern Michigan. His argument was that the man in northern Michigan would tell the small-business man in southern Michigan that I was a good fellow and so the southern Michigander would vote for HOFFMAN. Sound? Yes, but rather far-fetched. But Pearson did not even take stock in that theory because the gentleman from Virginia [Mr. POFF] asked him, page 35:

Mr. POFF. Mr. Pearson, had you known that Mr. HOFFMAN was not the Congressman of Joe and Mario Fontana, would you then have written the last paragraph quoted in that article.

Mr. PEARSON. No, I would not.

So his argument falls.

On page 34 Mr. Pearson swears that he made a false statement. In other words, if you were to use a short word, he swears that he is a liar.

Now, I ask you in all seriousness: What would a school boy in a debating society do, what conclusion would he reach if he was to argue the question of whether Pearson was a truthful man? When a man comes in and swears that a statement he made was false and admits he was a liar when he said it, which statement are you to believe? But the point I seek to establish is that the Government Operations Committee small special subcommittees set up to aid in solving a present minor issue have a useful function to perform. Mr. Speaker, I yield back the balance of the hour.

FIRST INDEPENDENT OFFICES APPROPRIATION ACT, 1954

Mr. PHILLIPS. Mr. Speaker, I call up the conference report on the bill (H. R. 4663) making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1954, and for other purposes, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER pro tempore (Mr. REES of Kansas). Is there objection to the request of the gentleman from California?

There was no objection.

The Clerk read the statement.

(For conference report and statement, see proceedings of the House of July 20, 1953.)

Mr. PHILLIPS (interrupting reading of the statement). Mr. Speaker, most of the changes in the conference report are minor. There are 1 or 2 items in it which are liable to have either questions asked about them or are controversial. I ask unanimous consent that the further reading of the statement be dispensed with.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

Mr. McCORMACK. Mr. Speaker, reserving the right to object, and I shall not, may I ask the gentleman from California if he will yield liberal time?

Mr. PHILLIPS. We are entitled to an hour, and it is my intention to use as little of that myself as possible and to allow as much as possible to others who want to speak.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. PHILLIPS. Mr. Speaker, I yield myself 15 minutes.

Mr. Speaker, in order as I said to conserve time, which is limited on any conference report, and to make it possible for me to yield as much time to others who want to speak or who want to make statements, I will not refer to any item in the bill except amendments Nos. 47 and 48 and the amendment which has

to do with public housing. The first have to do with the Interstate Commerce Commission, the other with public housing. I know that if there are questions upon any of the other 20-some agencies in the bill they can be raised by way of questions from other Members of the House.

May I refer first to the letters and telegrams which many Members have been receiving, regarding the appropriation for the Interstate Commerce Commission. This would be amusing if it were not that it has raised concern in the minds of Members of Congress which I shall now endeavor to clarify.

The House supported us, I may say, on this point in the last two sessions, and I feel confident the House will again support the committee when the Members learn in simple language that there is thing in the bill to which any of the letters or telegrams refer; that the statement which has caused what I think is unnecessary trouble and furor, is a recommendation, and a firm recommendation, let me say, in the conference report.

It is up to the agency whether or not it follows out the recommendations in the conference report. For one, I hope the Commissioners will. If they do not follow it, at least in major part, they will have an explanation to make to the Congress, through the Committee on Appropriations, next year.

Mr. WICKERSHAM. Mr. Speaker, will the gentleman yield?

Mr. PHILLIPS. I yield to the gentleman from Oklahoma.

Mr. WICKERSHAM. The gentleman is referring to the letters that many of us have received from various trucking associations expressing great concern over the committee's conference report.

Mr. PHILLIPS. That is correct.

Mr. WICKERSHAM. I, too, share their fear that there might be serious damage to our safety regulations, unless your majority report is amended in line with the recommendations of the trucking associations.

Mr. PHILLIPS. That is correct. This same thing happened a year ago, as you may remember. In the original report of the committee, which came to the floor on April 17, I quote in part; I do not omit anything of importance, but I quote only certain sentences of the recommendations of the subcommittee:

The committee * * * has approved an increase of \$159,326, as proposed in the budget, for use in the section of complaints of the Bureau of Motor Carriers.

Now that is where the Commission is very far beyond, and we increased that amount of money.

We then said further on:

The committee has specifically denied all requests for funds for work relating to safety and field in the Bureau of Motor Carriers amounting to \$1,793,157 and requires that this sum be distributed to other work of the Commission which the committee regards as of greater importance than the use to which such funds are presently being applied.

Then, as we have repeatedly said on the floor, and for the first time in black and white in the report, we say:

Until a complete reorganization of the Commission has been effected, and until efficiency has been substituted for inefficiency,

the committee can see no value in providing additional funds for this agency.

That went to the Senate. The Senate, not understanding quite what the House was driving at, raised a question regarding this provision that we had written into the report. The Senate then added \$200,000 to the work of the Commission and recommended that the Commission adopt the Wolf report, which is an efficiency report, which the Commission should put into effect. We approved the additional money. That is the only change in the bill regarding the Interstate Commerce Commission. We still let the recommendation stand in the conference report, with the approval of both the House and the Senate conferees.

Now, why do we do that? For 4 years or more we have had this up before us. Every year we have found that this is a duplicating service, duplicating in large part work performed by the motor patrols of the various States. The statement in one of the opposing letters, that instantly traffic accidents would increase, is cut out of the whole cloth. There are 336 employees and the expenditure is \$1,700,000 for something that duplicates work largely done by the States.

The feeling of the committee was that, if the Interstate Commerce Commission went into this field, it should go in as sort of a clearing house to coordinate and unite the work of the various States which is now being adequately carried out, better than by the ICC. That appears in our recommendations; that appears in our hearings.

You heard the other day, Mr. Speaker, that the public debt has reached the figure of \$272,000,000,000. If there is any place where we should begin to make economies, it is in those areas where there is duplication of the work done by other agencies or by the States.

That is all I intend to say about it, except to repeat that there is nothing in the bill about it. It is only a recommendation on our part which I hope the ICC will recognize as a firm recommendation, but which the ICC under the law could disregard, because our primary recommendation is that this \$1,700,000, which last year we took out altogether is to be applied to those functions of the ICC's activities which the commissioners think are the most urgent.

I am quite sure, Mr. Speaker, that the House will overlook the letters and telegrams, most of them sent by people who had no idea what the discussion was about, and will again, for the third time, support the House in an effort to improve the efficiency and the effectiveness of one agency of the Government.

Mr. COOLEY. Mr. Speaker, will the gentleman yield?

Mr. PHILLIPS. I yield to the gentleman from North Carolina.

Mr. COOLEY. I think the gentleman has pretty well cleared up the point I had in mind but I do want to ask the question specifically: The funds these telegrams have reference to are still in the bill, as I understand it?

Mr. PHILLIPS. Yes; the gentleman is correct.

Mr. COOLEY. In the conference report the conferees make certain recom-

mendations which, of course, will not be binding but will be only advisory to the Commission?

Mr. PHILLIPS. That is correct.

Mr. COOLEY. It is up to the Commission to determine whether or not the services are actually duplicating?

Mr. PHILLIPS. That is correct, but I want to make it clear it is a very firm recommendation in the report. I think the Commissioners would have to come to us and explain next year how they spent the money.

Mr. COOLEY. I think that clears up the situation I have in mind.

Mr. PHILLIPS. Now I come to housing, which I think is the only controversial point in the conference report. As you know, the House struck out all housing starts for fiscal year 1954. The Senate put back 35,000 housing starts for 1954. The conferees decided that we would recommend the allowance of 20,000 units to be built in fiscal 1954, but would say in clear language what we had tried to say before, that no more contracts are to be let for housing units because we have already obligated ourselves to more units in past contracts, legal or moral, than could be built in any year.

The situation regarding housing units is this: The Government is firmly committed, in the opinion of the subcommittee and the conferees, to contract for 8,189 units. Those are legal and binding contracts and we have no desire to attempt to stop them.

Mr. COLMER. Mr. Speaker, will the gentleman yield?

Mr. PHILLIPS. I yield to the gentleman from Mississippi.

Mr. COLMER. I understood the gentleman from California to say in substance that this would liquidate the public housing program.

Mr. PHILLIPS. That is the intent of the conference committee, but let me make this clear to the gentleman, because this is very important: Some Members of the House have raised the question that we obligated ourselves to 35,000 for this year and 35,000 for next year, and so on, forgetting two things, that that was not the intent of the Congress, first, and second, that one Congress cannot bind another Congress. This conference committee intends to make clear that no more contracts may be written for public housing without further action some time in the future by another Congress.

Mr. COLMER. I do not find that in the conference report. I cannot read that into it. This is on page 10, amendment 43.

Mr. PHILLIPS. I will read the motion I shall make at the proper moment:

Provided further, that notwithstanding the provisions of the United States Housing Act of 1937, as amended, the Public Housing Administration shall not, with respect to projects initiated after March 1, 1949, (1) authorize during the fiscal year 1954 the commencement of construction of in excess of 20,000 dwelling units; or (2) after the date of approval of this act, enter into any new agreements, contracts, or other arrangements, preliminary or otherwise, which will ultimately bind the Public Housing Administration during fiscal year 1954 or for any future years with respect to loans or annual

contributions for any additional dwelling units or projects unless hereafter authorized by the Congress to do so, and during the fiscal year 1954 the Housing and Home Finance Administrator shall make a complete analysis and study of the low-rent public housing program and, on or before February 1, 1954, shall transmit to the Appropriations Committees of the House and Senate his recommendations with respect to such low-rent public housing program.

Mr. COLMER. What is the gentleman reading from?

Mr. PHILLIPS. I am reading from the motion which I will make when the time comes.

Mr. COLMER. The gentleman will make that motion?

Mr. PHILLIPS. Yes.

Mr. COLMER. I thank the gentleman.

Mr. PHILLIPS. In addition to the 8,189, there are 834 prior units which make a total of 9,023 units. In addition to that, there are 33,003 units contracted for which are subject to audit. These have had the contract reopened and have had what we call an escape clause or provision written in which says that they have no legal right, and that they are standing in line, and if and when the Congress at some future date allows more houses they have a priority.

We are allowing for one-third of those to be built in the coming year, or more units if others drop out. The Congress will have the recommendations of the Housing Administrator before we come up next year, on what to do with the 22,000.

Beyond that, Mr. Speaker, there are 20,579 units, for which contracts were signed, that definitely have written in at the start that those were not binding contracts, but only made if Congress voted the money and established an additional number of houses to be built. In other words, there were 53,582 units under some sort of contract, in addition to the 9,000, which are against the expressed intent of the Congress. Some of these might have to go to court to decide what the obligation of the United States should be. Legal opinion holds that the decision would support the stand of the Congress. The committee does not admit a single item or a single iota of legal obligation on the 20,579. It is willing to have the others audited and the legal and moral obligations discussed and brought up next year. I believe that these 20,000 houses for this year should end this public housing program, and that in the future we should depend upon private industry with the help of the FHA and similar supporting programs to carry on local construction.

Mr. RILEY. Mr. Speaker, will the gentleman yield?

Mr. PHILLIPS. I yield.

Mr. RILEY. Under public law 94 of the 83d Congress, provision is made for any town, which has been forced to relocate for the benefit of an atomic energy installation, to have the same rights to be considered for Government assistance for community facilities, schools, and housing as any other town adjacent to such an area. Is there anything in this report which would in any way restrict this provision?

Mr. PHILLIPS. No; there is nothing in the report which would restrict it. The conference committee discussed that, but we did not have the jurisdiction, it was decided, to put it into a bill. It would be questionable to put in an item referring to one specific city. The conferees believe that the answer to the gentleman's question is a decisive no.

Mr. RILEY. I thank the gentleman.

Mr. PHILLIPS. Mr. Speaker, I yield 5 minutes to the gentleman from Illinois [Mr. YATES].

Mr. YATES. Mr. Speaker, I think that the gentleman from California [Mr. PHILLIPS] made the issue clear when he stated that the report of the conferees proposes to do one thing, very clearly, and that is to liquidate the public-housing program. I voted against this conference report and I refused to sign it, because that was the way I understood the action of the conferees. I refused to sign the conference report for many reasons, but I think that the principal reason for my refusing to sign it was because I considered it to be one of the rankest types of discriminatory legislation that I have ever seen. It hits hardest against the little fellow, the low-income family, which cannot afford to buy their homes under present conditions.

Under this law the low-income family get practically no help at all from its Government. But, on the other hand, those who can afford to buy houses get all the subsidies and all the assistance which the Public Housing Act of 1949 provided. The subsidies of the Federal Housing Agency are continued and Fannie May is given a big, substantial increase. The contractors are protected. The mortgage bankers are taken care of. But the door is slammed in the face of the lowest income families who need decent housing the most.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. YATES. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. In other words, the gentleman from California [Mr. PHILLIPS] used very properly the word "liquidated." Is not that correct?

Mr. YATES. That is correct.

Mr. McCORMACK. They are going to liquidate, which means that they are killing, without even a fair hearing.

Mr. YATES. That is correct.

Mr. PHILLIPS. Mr. Speaker, will the gentleman yield to me?

Mr. YATES. Surely, I yield to the gentleman from California.

Mr. PHILLIPS. The word "liquidate" was used by the gentleman from Mississippi [Mr. COLMER] and in the colloquy I did not teach that he used the word "liquidate." I would not have agreed to the use of the word "liquidate." It is a holding of the program in status quo.

Mr. McCORMACK. In other words, it is a killing of it.

Mr. YATES. That is correct. The gentleman certainly made that point clear when he had the floor, that it is proposed by this conference report that the public-housing program be killed, unless a future Congress authorizes it to be reestablished.

Mr. PHILLIPS. Is not that true of anything we do?

Mr. YATES. No; on the contrary, the Housing Act of 1949 established a perfectly proper program for the construction of 810,000 units of public housing at the rate of 135,000 per year. The Congress last year stated that until changed by a future Congress there should be constructed 35,000 units per year. That is the status of the program now in the absence of its being changed by this conference report.

That is why I propose that there shall be a rollcall on the conference report when the time comes, and I shall at that time suggest that the conference report recommendation be voted down and that the House accept an amendment which I shall offer, which will continue the housing legislation and the public-housing program on a minimum basis.

Mr. PHILLIPS. Mr. Speaker, will the gentleman yield to me?

Mr. YATES. I yield to the gentleman from California.

Mr. PHILLIPS. The gentleman suggests the theory that once something is voted in the Congress it may never be changed. Mr. Truman himself was the first one to reduce the number of houses, and the House last year voted a lower number of houses than this year, by a 2-to-1 vote; it voted for no houses. I do not think the gentleman can say properly that those were not actions in line with the proper authority of the Congress, to put in whatever they choose; and that is the situation today.

Mr. YATES. The gentleman from Illinois last year and this year, and at all times, has advanced the contention that housing legislation is the province of the Committee on Banking and Currency of the House and not of the Committee on Appropriations. Therefore, I say that if this program is to be changed the Committee on Appropriations should not be the instrument for changing it, and that it should go back to the Committee on Banking and Currency for that purpose.

Mr. SCOTT. Mr. Speaker, will the gentleman yield?

Mr. YATES. I yield to the gentleman from Pennsylvania.

Mr. SCOTT. The gentleman said he was going to offer an amendment. Would the gentleman be good enough to tell us how many housing units he intends to propose in his amendment?

Mr. YATES. I propose to offer an amendment to provide for the construction of 20,000 units of public housing with language such as was adopted by the House last year which would permit continuation of this program on a minimum basis in accordance with the recommendations of former Congressman Cole and presumably with the recommendations of the President of the United States.

Mr. SCOTT. Mr. Speaker, will the gentleman yield?

Mr. YATES. I yield.

Mr. SCOTT. That is why I asked the gentleman to yield, because if he keeps his amendment within that format I personally would be glad to support it.

Mr. YATES. I refused to sign the conference report, Mr. Speaker, because

to my mind it does violence to what I conceive to be the intention of the House when the bill was last before the House.

When this bill was passed the public-housing program had been killed by the action of this House, but at least we permitted it to have a decent burial. The gentleman from California and the conferees have not only jumped all over the remains of the program but have even wiped their feet on it. When it left the House there were some 62,000 units under a firm contract between the Federal Government and the local housing authorities. All of these were to be built.

On April 22, in response to a question asked by the gentleman from New York [Mr. JAVITS] concerning the obligation of the Government to construct the approximately 62,000 units which are under loan and contributions contracts, the gentleman from California [Mr. PHILLIPS] stated as follows, and I quote:

This committee intends that those—

Referring to the contributions contracts—

that those shall be carried out. There might be a certain group of these contracts that the gentleman from New York and the gentleman from Illinois would not want carried out either. I know the gentleman is not talking about that kind of contract at this time. Therefore, I say that this committee of Congress would say that these contracts should be carried out.

The same position was taken by the gentleman in response to questions which I asked and which were asked by the gentleman from Connecticut [Mr. SEELY-BROWN] the previous day. And so I say there was no doubt but that all units which were the subject of bona fide annual loan and contributions contracts were to be built. This was the intent of the House when the bill went over to the other body. But what did the conferees do? They said that only 20,000 of the 60,000 units under contract should be built. The other 40,000 units are condemned to an indefinite status. Apparently they are to be stretched out under the contention that there will be better housing for less money. There are 147 communities in 33 States which have such contracts. Which communities will be the ones selected for completion of their contracts, and which will have to wait?

Mr. PHILLIPS. Mr. Speaker, will the gentleman yield?

Mr. YATES. I yield.

Mr. PHILLIPS. There is no question about it. At the time I was asked that question, and made that statement on the floor, the figure had been given us by the Housing Administration.

Mr. YATES. That is correct.

Mr. PHILLIPS. I presume the Housing Authority has gone over it as carefully as they could and now they come up with the reduced figure. I stand on the principle. The number followed the principle that we are absolutely obligated to build only a certain number. There is a question about an additional number somewhere between 33,000 and the number we are under no circumstances obligated for. We agree to include 11,000 of the 33,000. Now the question arises only as to how many of

the other 22,000—and Los Angeles has given back with great pleasure 5,700.

Mr. YATES. Illinois will be glad to accept that, I will say to the gentleman.

Mr. PHILLIPS. That is what I said: Why not try to get some of these for Chicago and not try to force these houses on cities that do not want them?

Mr. YATES. Let me say to the gentleman that at least we are in agreement on principle. There are firm and binding loan and contribution contracts with municipal corporations, under the terms of which the units covered by those contracts shall be constructed.

I talked with Mr. Fitzpatrick who is General Counsel for the Public Housing Administration. There is no escape clause in those contracts. The Federal Government is liable to construct the units that are covered by them. What did he say? Those contracts were amended and language was put into the contracts last year limiting the amount to be constructed to 35,000 units in accordance with the law we passed—those contracts were amended to provide that the Federal Government should be under no obligation to construct more units than 35,000 during any fiscal year. But the obligation remains and is firm that the Government must construct at least 35,000 units during the fiscal year.

Mr. PHILLIPS. Mr. Speaker, will the gentleman yield?

Mr. YATES. I yield.

Mr. PHILLIPS. I would like to ask the gentleman what the final sentence of the attorney's statement was? Does the gentleman care to tell us what it was?

Mr. YATES. I did not know the gentleman was listening to my conversation. How does he know what was said between Mr. Fitzpatrick and myself?

Mr. PHILLIPS. I was not, but Mr. Fitzpatrick, at my request, gave me a résumé of this opinion. He said that the question arose only on a technicality and that these escape clauses were statements that these cities are to stand in line and if and when we got to them, they will get their units. I want this to be clear to the House. Someone of these cases may go to court and the attorney states he has no fear but what the Federal position would be upheld and we would not have to build them.

Mr. YATES. That is not what Mr. Fitzpatrick told me. He told me that the Federal Government is bound under the terms of the loan and contributions contracts to construct up to 35,000 units. There is no obligation to construct more than 35,000 units because of the clause which went into all contributions contracts, other than those for 8,000 units.

It seems to me that the gentleman has confused the issue by speaking of an escape clause where in fact none exists. No one on the committee nor among the conferees was ever shown a copy of the so-called escape clause and certainly before the House accepts the gentleman's interpretation of the legal status of the Government, we should have more direct and pertinent facts upon which to base our action. The gentleman's assertion that the Government has no liability

under some 52,000 of these contracts is only his opinion.

The SPEAKER. The time of the gentleman from Illinois has expired.

Mr. PHILLIPS. Mr. Speaker, I yield the gentleman 2 additional minutes.

Mr. COTTON. Mr. Speaker, will the gentleman yield?

Mr. YATES. I yield to the gentleman from New Hampshire.

Mr. COTTON. The amendment that the gentleman intends to offer provides for 20,000 units?

Mr. YATES. That is correct.

Mr. COTTON. It provides for 20,000 units to be built out of the backlog and then permits the agency to authorize or contract for 20,000 new ones; so it actually is 40,000?

Mr. YATES. The gentleman has stated his conclusion. My amendment does propose to construct 20,000 units during the next fiscal year and the insertion into the pipeline of an authorization for the construction in the future of an additional 20,000 units. I do that for this reason: In order that the program may be kept on an even basis so that the intention of the gentleman and the conferees that the program be maintained in status quo pending a further study may be carried out.

Mr. COTTON. But the House should clearly understand that the gentleman's amendment, instead of being for 20,000 units, is actually for 40,000 units?

Mr. YATES. The gentleman is a master of ambiguities. I say to the gentleman I propose that the program as it presently exists be carried out. I propose that the program not be liquidated completely as the conferees propose that it should be.

Mr. Speaker, I refused to sign the report because I favored the slum-clearance programs, and I believe that the conferees in taking the action that they did in limiting public housing to 20,000 units, placed an almost insurmountable obstacle in the path of the slum-clearance project. The action of the conferees in this respect is completely incongruous, because, while more than adequate funds are provided for the development of the slum-clearance programs, nothing is provided for the relocation of those who lived in the slums. Apparently the conferees have forgotten that one of the cardinal provisions of the slum-clearance legislation requires the relocation to decent, safe, and sanitary dwellings of those who are to be dispossessed before the slum-clearance program can go forward. And this is only elemental fairness that those who are to be ousted from their homes should be given the opportunity to live in decent surroundings, too.

On this point, let me read to you the telegram I have received from Mr. Ferd Kramer, the head of the large real estate firm of Draper & Kramer in Chicago, who is in charge of the private enterprise project which is replacing one of the slums in the city of Chicago. This is what Mr. Kramer says:

As president of a nonpartisan citizens' organization whose board of governors includes industrialists, merchants, realtors, mort-

gage bankers, economists, attorneys, and leaders in many other fields, we hope that you will use your influence to see that there are funds made available for a continuance of the public-housing program. As we sponsored and are vitally interested in private enterprise's participation in the slum-clearance and redevelopment program in Chicago, it is particularly vital that we have some public housing for relocation purposes. Relocation is really the key to slum clearance these days.

My Republican colleagues from Chicago know that the Chicago Daily News has never been a staunch advocate of public housing and yet here is what the Chicago Daily News stated in an editorial on June 22, 1953:

WHAT YOU CAN DO

What can we do?

This is a question asked of the Daily News by many people who have been shocked by conditions this newspaper has revealed in Chicago's slums.

There are many things to do. We call attention here to just one of them. We give it priority today because the time for action is urgent.

This is our recommendation:

Do everything you can to persuade the Illinois House of Representatives not to pass the Larson bill, which aims to stop all public housing in Chicago.

The mechanism proposed for this purpose is a neighborhood referendum on every public housing project.

This newspaper has never seen a cure-all in public housing. We appreciate its limitations, and we understand the objections to it in principle and in practice. But under present conditions there is a minimum role for public housing that is indispensable.

The objections all fail to recognize the fact that Government affects the housing supply in two ways. The Government is a great destroyer of shelter, as well as, sometimes, a builder.

The State, county and city governments have destroyed the dwellings of thousands of families on the route of the Congress Street expressway alone. It will destroy thousands of other dwelling units along the route on the Northwest Highway.

In a smaller degree, other public improvements have the same result. In buying land for some privately financed housing developments like Lake Meadows a public body—the land clearance commission—dispossessed more people than will be housed in the same area.

None of these great improvements would be possible if they were submitted to a neighborhood referendum of the people who will be inconvenienced. But they go on, and will continue to go on.

Opponents of all public housing speak as if the Government role in relation to housing is and ought to be entirely neutral. As a destroyer of housing, the Government will never be idle or passive. The more we insist on public improvements, the more habitations will be destroyed.

We can see no objection, theoretical or practical, to the replacement by public authority of at least as much as the public, through its agencies, tears down.

My colleagues from the South may be interested in an article that appeared in the Christian Science Monitor for Friday, June 5, which has the following opening paragraphs:

Interracial tensions growing from a lack of adequate housing for Negroes in the South are put in stark relief by recent de-

mands that Congress continue public housing construction.

Some 74 Negro leaders from 12 southern States have urgently requested Congress to continue the low-rent public housing program, which is of double value to southern Negroes: A source of revenue for workers and of adequate housing facilities.

I say to you that this is not a problem exclusively of the South, for we in the North are faced with the same housing tensions. That's why I believe it is so necessary that the housing program be continued on a minimum basis, if you will, not on a liquidation basis, that there be a reasonable balance in the subsidies that are accorded in this bill, that it should not be limited only to a rehabilitation of property but that it must contain the opportunity for rehabilitation of people, too.

Mr. Speaker, I believe that this conference report should not be accepted. I urge that this amendment offered by the gentleman from California [Mr. PHILLIPS] to recede and concur with the Senate amendment, be voted down. When it is voted down, I shall offer an amendment which will provide for the continuation of the housing program on a minimum level, pending the reexamination of the program which the President wants and which the Congress wants.

The SPEAKER. The time of the gentleman from Illinois has again expired.

Mr. PHILLIPS. Mr. Speaker, I yield 5 minutes to the gentleman from Texas [Mr. THOMAS].

Mr. THOMAS. Mr. Speaker, I should like to attempt to clarify, if I may, the intention and what the thinking was of the committee that wrote this legislation and I hope I may surmise, the intention of the House.

There has been a limitation carried in this bill for 2 consecutive years and we thought it was as tight as language could make it. That limitation clearly stated its intention that during any given fiscal year the Public Housing Administration could not build more than 50,000 units in the fiscal year 1952, or 35,000 units in fiscal year 1953.

Well, lo and behold, the committee decided this year they would tighten up the language and virtually attempt to wind up the program. The information had never been given to the committee, but in scratching around it developed that in the face of that clear-cut language that had been carried in this bill for 2 years some type of obligation had been made in violation of the spirit of that law by the Public Housing Authority to the tune of 62,000 units. Can you imagine that? This action on the part of the Public Housing Administration is a most flagrant bureaucratic use of power that I have seen since I have been here during the past 17 years. It is terrible.

The lawyers ought to be fired this minute, if not long ago. The former Commissioner, Mr. Egan, is a fine man. I thought he was a great administrator and I admired him. But a lawyer got him in trouble in circumventing the will of Congress.

They were not satisfied to go out and contract for the 35,000 units that you

authorized and said no more, but they bypassed you by interpreting that law to mean just exactly what they wanted it to mean. That turned out to be 62,000 units. That is terrible. The Congress ought to abdicate and turn them loose, because that is what they have done; they have gone ahead in violation of that intent. Now, what does this language do? The other body struck out the House language that was written this year—and it was tight—atempting to wind it up, to be perfectly frank about the program. You cannot wind up the program, because you have 400,000 units that you are going to have to operate for the next 30 to 35 years. All it does is to prevent the construction of the remaining 600,000 units authorized in 1949.

Now, getting back to the point. The other body struck out the restrictive language of the House bill and they inserted more liberal language. The conferees got the Senate to throw out its more liberal language, and we took the language and tightened it up, and the tight part of it merely says "1954 or any future year." Now, you can interpret "any future year" to mean whatever you think it does. Of course, this Congress cannot bind the next Congress, and the Congress next year may throw out that language, but until the next Congress begins, for all practical purposes this program is wound up with the exception of the 20,000 units included in the bill.

Gentlemen, those are the facts and I do not think anyone will dispute them.

Mr. PHILLIPS. Mr. Speaker, I yield myself 1 minute for the purpose of making an explanation.

Mr. Speaker, there seems to be some question on the floor as to why the wording of the House amendment is not printed in the report or in the bill. It comes as a motion. It comes when the report of the managers is adopted and we take up the 6 items in controversy one by one. That motion contains the words which we are talking about, and which I read to the House. So, you need not look for it in the conference report. It is in the motion which will follow later. No other motion is necessary.

Mr. Speaker, I yield 5 minutes to the gentleman from Massachusetts [Mr. McCORMACK].

Mr. McCORMACK. Mr. Speaker, I think the Members of the House clearly have in mind the basic and important questions involved in the matter that is now before us. The gentleman from Texas, my good friend [Mr. THOMAS], has frankly stated the situation when he states in his losing remarks that "we took the loose language and tightened it up"—and it was a very tightening job—"and the program will be wound up except 20,000 units." He also referred to the 400,000 units already constructed which, of course, will continue, but so far as any new construction is concerned my friend, the gentleman from Texas [Mr. THOMAS], frankly advised the House in his usual eloquent but plain and direct language. My good friend from Texas has always been frank in his position on this matter. I am glad, and I want to say publicly, that despite his opposition to this legislation in past

years when he was chairman of the subcommittee on appropriations, he always was a good soldier. He made his fights, but when the Senate restored the authority to construct units he went into the conference not for the purpose of destroying but for the purpose of continuing and of harmonizing and adjusting the differences that existed between the two bodies. My friend, the gentleman from Texas [Mr. THOMAS] when he was chairman of the subcommittee, and that meant the Democrats were in control, never did anything that killed this program.

Whether or not one agreed with him in the past, the Democratic Party put this program into operation. The Republican Party today will destroy it unless the motion to be made by the gentleman from California [Mr. PHILLIPS] is defeated and thereafter the motion of the gentleman from Illinois [Mr. YATES] adopted. That cannot be laughed off. Those are the cold facts. No one can contradict them, because public and low-cost housing is being destroyed today so far as any new construction is concerned. I am very happy that it was never destroyed under the Democratic Party. I am sorry to note that its destruction is going to take place under the Republican Party. So let us not be deceived, let us not misunderstand in any way. The very life of low-cost housing is involved in the motions that will be made before the House in a short while and that the House will vote upon. The record clearly shows that if it is destroyed and killed the responsibility will lie upon the shoulders of the Republican Party—not all the Republican Members, but upon the Republican Party. I hope enough Republican Members will join with us on this side to stop the killing and the destruction of this program.

The House of Representatives in the bill provided there would be no new construction during the present fiscal year, but they did not destroy the program. The Senate put into the bill 35,000 new units. That was the difference between the two bodies. If this were an agreement to authorize the construction of 20,000 new units in addition to the backlog, that would be one thing, but this is not that. The way this is worded in the authorization to construct 20,000 new units, it means that thereafter low-cost and public housing on the Federal level is completely destroyed. So that is the issue and that is what the rollcall will be on, and I hope enough Members will stand to have a rollcall. The issue will be whether or not low-cost and public housing will be destroyed.

No matter what the outcome might be, I want to publicly compliment and thank my friend from Texas [Mr. THOMAS] for his statesmanship during the years he was chairman of the subcommittee, when, though he was in opposition to the program, once it was adopted by Congress, he went ahead and performed his duty affirmatively and in a statesmanlike manner.

Mr. PHILLIPS. Mr. Speaker, I yield 2 minutes to the gentleman from New York [Mr. JAVITS].

Mr. JAVITS. Mr. Speaker, it is not necessary to agree with my distinguished

friend from Massachusetts in order to sustain the position of my friend from Illinois and to state that I will support his motion for the restoration of Federal public-housing units, and I hope a majority of the House will do so.

May I remind my friend from Massachusetts that pleading partisanship on this issue will not carry it. I was sponsor in the House of the T-E-W bill and it took Republican votes to pass it as the Housing Act of 1949. It has taken Republican votes every time the subject has been up to carry the public-housing program. I regret to state that the motions to kill public housing on appropriation bills in this House—and it has been done in a number of years—have always come from the Democratic side. I do not think partisanship will carry public housing now.

The House of Representatives is the conscience of the country. We have to exercise our conscience in two respects: First, are we going to be pettifogging about these annual contributions contracts that have been made or are we going to be the great conscience of America and honor the moral commitments of the United States? Under the law as contained in the appropriation bills, the public-housing authorities had a right to assume that the Federal public-housing program was stabilized at 35,000 units per year until advised to the contrary. The great amount of planning, labor, and expense which goes into the development of public-housing projects in municipalities, including land acquisition, condemnation, clearing, and resettlement of occupants of existing structures, is a dynamic process. So are arrangements for the necessary public-housing financing. It must be remembered that under the Federal housing program the municipal housing authorities arrange all their financing and take all other necessary actions based only on the Federal annual contributions contracts. It is impossible to ask municipalities to undertake this process without a Federal Government commitment. The commitments in the annual contributions contracts were made only after an enormous amount of preliminary work and by approval of high executive authority. There could be no Federal public-housing program unless they were undertaken. Rather than implying criticism, I believe the number involved of some 60,000 shows great care and detailed planning by the FPHA in the arrangements which were made. These are commitments in which the municipalities have made a material change in position. They are commitments looked to by thousands of families in the low income levels and by whole communities for housing relief. They should be honored.

I thought the Appropriations Committee was going to see that they were honored. I think it would be a grave error if we did not. Surely avenues can be found in these contracts to avoid them, but I think any lawyer knows what he would think of another lawyer who found that kind of avenue to avoid a contract which is a good moral commitment. The United States can hardly be put in that position.

Secondly, the United States is already doing the barest minimum for the lowest-income families in this country through all public-housing programs. Far less than 10 percent of total construction is public housing, even adding State and municipal public housing to that of the United States. The United States public-housing program has been the leverage for State and municipal public-housing programs in recent years. The whole slum clearance and urban-rehabilitation program which is being actively supported by the Congress is based heavily upon the need for publicly assisted low-rent housing to take care of the displaced lower-income families. The financial condition of States and municipalities makes the Federal public-housing program vital to stimulate slum clearance and urban-rehabilitation activities. This does not mean that the Federal program does it all or even a major part, but its stimulus value is indispensable. To cut off the program will be a real—perhaps a mortal—blow to the hopes for urban improvement under title I of the Housing Act of 1949.

At a time when we are asking the greatest sacrifices of the American people, and at a time when it is statutory law that there shall be a minimal Federal public-housing program—the Housing Act of 1949—I think this House, as the conscience of the country, will make a very great mistake to end the program here and now. I hope very much it will not be done.

Members should not be misled by any idea that the House may reconsider its action next year or that as the result of a study the Federal public housing program will be revived. The stoppage of activity in respect of Federal public housing projects and the complexities of putting them together again will mean a delay of several years even if Congress should decide to restore the program next year. It took several years after 1949 after the act was passed to really get any Federal public housing going—and it would again.

I do not feel that we can call upon the people of the country for the great sacrifices which we are calling for from them without making a contribution to housing for the lowest income level in the whole community. I think the issue is clearly before us now: Are we or we not the conscience of our own country?

Mr. PHILLIPS. Mr. Speaker, I yield 2 minutes to the gentleman from Mississippi [Mr. COLMER].

Mr. COLMER. Mr. Speaker, I think it is fair to say that my friend the gentleman from Massachusetts [Mr. McCORMACK] stated the issue very clearly, as I have tried to state it, and I am glad that the issue is made clear. This is a matter of philosophy. You either believe in the American free enterprise system of individual home ownership or you believe in Government-subsidized houses with all of the implications thereof. That is the issue. A great deal has been said here about killing this thing today. I want to remind you that while 20,000 units will be provided for if the motion prevails, that on 2 occasions in the past 2 years the House by an overwhelming vote cut

the allotment from 50,000 down to 5,000 units, and they were record votes, too. The question here has been raised that this is low-cost housing. Why, this is housing of the highest cost. Yes; it costs the taxpayers, not those who live in these houses. It is high-cost housing. The cost of construction is now \$19,000 a unit. But in this half minute that I have left let me impress upon you again that there is a political philosophy involved: Are we going to have a people, a regimented people all living in row houses, looking alike and being subsidized by the taxpayers? A people who will lose their independence under this system and eventually become but vassals of the state?

This thing if permitted to continue will not only bankrupt the country but worse still it will sap the vitality and destroy our people.

Let us once and for all time here today kill this socialistic program, which I personally have opposed from its inception.

Mr. PHILLIPS. Mr. Speaker, I yield 2 minutes to the gentleman from Michigan [Mr. OAKMAN].

(Mr. OAKMAN asked and was given permission to revise and extend his remarks.)

Mr. OAKMAN. Mr. Speaker, I wish to speak briefly on the statement of the managers on the part of the House concerning the conference report on the First Independent Offices Appropriation Act, 1954, re amendment 48, it is stated that the conferees have agreed to the proposal of the House requiring that the sum of \$1,793,157 requested for work relating to safety in the field of the Bureau of Motor Carriers be distributed to other work of the Commission which is regarded as of greater importance than such safety and fieldwork.

This will have the effect of requiring the Commission to discontinue its motor carrier field staff, including safety inspectors, and abolish the section of safety in its Washington headquarters. The result will be that there will be no further enforcement of the highway safety work of the Commission.

Last year 38,000 persons were killed and 1,350,000 persons were injured in highway accidents. Property damage of \$3¼ billion resulted from such accidents. The discontinuance of highway safety activities of the Interstate Commerce Commission as applying to buses and trucks operating in interstate commerce would prevent enforcement of its safety regulations and result in the unnecessary slaughter of additional persons. A recent study of the operations of 461 interstate motor carriers operating 1,590,363,000 miles annually showed that, after they had adopted safety programs at the instance of the Interstate Commerce Commission's safety staff, there was a reduction of 43.1 percent in deaths and 44.1 percent in personal injuries annually. This would indicate that the prohibition of highway safety activities on the part of the Commission will have the effect of causing the death or injury of many people in connection with bus and truck operations than would result if the Commission's highway safety activities are continued.

The discontinuance of those activities is apparently based on an assumption

that the Commission is duplicating the safety work of the various States and is unnecessary. The following letters addressed to the Chairman of the Interstate Commerce Commission by State officials engaged in highway safety work, and by insurance companies engaged in writing casualty policies on interstate bus and truck companies, should be sufficient to show that such assumption is incorrect and that highway safety work by the Interstate Commerce Commission should be continued and expanded.

Mr. Speaker, I should like to put several questions to the gentleman from California [Mr. PHILLIPS], chairman of the House conferees on the first independent offices bill, so that I may be clear as to what he meant by the action which was taken: First, did the conferees mean to require that the Interstate Commerce Commission abolish its field staff and close its field offices and cease all of its truck and bus safety activities; second, did the conferees realize that by taking this action, which has never been passed upon by the legislative committees assigned such work, they are in effect ending for all practical purposes the interstate regulation of trucks and buses; and, third, did the conferees realize that the field which has been occupied by the Interstate Commerce Commission and interstate truck and bus operation cannot, by the very nature of the operation, be filled by the State and local officials?

Mr. PHILLIPS. Mr. Speaker, I yield to the gentleman from New York [Mr. RADWAN] such time as he may desire.

(Mr. RADWAN asked and was given permission to extend his remarks.)

[Mr. RADWAN'S remarks will appear hereafter in the Appendix.]

Mr. PHILLIPS. Mr. Speaker, I yield 2 minutes to the gentleman from North Carolina [Mr. JONAS], a member of the committee.

Mr. JONAS of North Carolina. Mr. Speaker, a great deal has been said today about killing this program. Those who want to do so may consider an affirmative vote on this motion a vote to kill the program, but with all due respect to those who take that position and to my friend from Texas [Mr. THOMAS] I do not think a vote to adopt the motion which will be made by the chairman of our subcommittee, the gentleman from California [Mr. PHILLIPS] is necessarily a vote to kill the program. Why do I say that? I say it for the simple reason that the language under consideration does not undertake to kill the Housing Act. It simply says that the Housing Authority shall not make any commitments which will bind this Government for the construction of units in excess of 20,000 unless the Congress hereafter authorizes it.

How may the Congress hereafter authorize the construction of additional units? It can do so at the next session or in sessions of future Congresses whenever there is a request for funds to construct additional units. In other words, the Congress, every time it meets,

will have an opportunity to authorize the construction of additional units.

Mr. YATES. Mr. Speaker, will the gentleman yield?

Mr. JONAS of North Carolina. I yield to my friend from Illinois.

Mr. YATES. Does the gentleman take into consideration the fact that an agency cannot overnight lay the groundwork for the construction of public housing units? There is such a thing as the necessity for a pipeline in which preparation is made for the construction.

Mr. JONAS of North Carolina. We have a pipeline with 62,000 units already in it. I contend that during the next several years, while this survey is being made, we have all the units in the pipeline that we can possibly build.

Mr. PHILLIPS. Mr. Speaker, I yield such time as he may require to the gentleman from Texas [Mr. FISHER].

(Mr. FISHER asked and was given permission to revise and extend his remarks.)

[Mr. FISHER'S remarks will appear hereafter in the Appendix.]

Mr. PHILLIPS. Mr. Speaker, I yield 2 minutes to the gentleman from New Hampshire [Mr. COTTON], a member of the committee.

Mr. COTTON. Mr. Speaker, there is no need to rehash or rehearse all the arguments on this oft-debated question. I wanted 1 minute to make sure we understand what we are going to vote upon. There has been a great deal of talk about having the issue clean cut; about meeting the issues squarely.

Last year a majority of this Congress believed they were voting to limit the construction of public housing to 35,000 units, and to say, "Stop and wait while we reappraise the situation." That was interpreted to mean not 35,000 but 70,000 by some of these skillful gentleman downtown who went ahead and obligated in advance for thousands of units. The recommendation of this committee, which will be embodied in the motion of the gentleman from California [Mr. PHILLIPS], says "20,000 to be constructed this year and no new commitments; wait while we find out where we are going and do not tie us up any more."

The motion which will be offered by my good friend the gentleman from Illinois, although he keeps talking about 20,000 units, actually will provide for 20,000 units to be built this year and authorize 20,000 units to be constructed next year, and I am not so sure that if you adopt his language someone downtown will not say they can leap-frog for several years ahead and tie us hand and foot. Certainly it authorizes 40,000 units. So let us know what we are voting on. We are voting to see if Congress can and will regain control of this situation, and take a look as to where we are going in the future.

(Mr. SIEMINSKI asked and was given permission to extend his remarks at this point in the Record.)

Mr. SIEMINSKI. Mr. Speaker, I am grateful to the gentleman from Indiana, the distinguished majority leader [Mr.

HALLECK], for yielding to me at this point for a unanimous-consent request so that I might reaffirm the position of the people of Hudson County on this measure. I intend to vote for the Yates amendment. I am for all of the housing the people of my district need. The Yates amendment, modest and a bit timid though it is, moves in the direction of satisfying the housing requirements of the good people of my district, the 13th of New Jersey, which includes the magnificent town of Bayonne and a fair share of Jersey City, off which shores stands the Statue of Liberty, and off which shores the *Half Moon* dropped anchor in 1609. History is with us here, Mr. Speaker. So is tradition and a love for everything that gives the little fellow a break. To hear the progress of this debate, one would think a little shelter, within the means of a man's pocketbook, softens character, invites the unscrupulous, and puts the little fellow in clutches. As if, for long, anyone could successfully work against the will of God and harm a hair on the head of his fellow man, and not be brought to account for it, in this world or the next.

Birds have trees in which to nest; animals the earth, on and in which to sleep. Because of the elements, man has chosen to go indoors. Stones no longer need to serve as pillows.

If a man can earn the money with which to buy a house, or to rent suitable quarters without Government assistance, why, of course, his self-respect tells him to do so. But if society, if the community in which he lives, makes this impossible, he can do two things—leave his job, thumbing his way with his family to greener pastures, or, in grievance, yearn for relief, as in Europe and Asia, and say, "Comes the revolution." That is not the American way. And no one will say that it is. We pride ourselves in keeping the gap closed between men. Ours is a philosophy for the underdog—giving every man the unfettered chance to rise, in self-respect. I do not think Government housing diminishes self-respect among civilians any more than Wherry housing does for the armed services or the White House does for the President of the United States. It is a matter of perspective.

The question is, Does the housing provided enable industry and commerce and the community to get its work done in good order, with satisfied people?

During this debate, some have chided the administrators of this measure with interpreting the law a bit loosely. If so, the interpretation has been on the side of the needy, like the recent vote of this Congress in favor of the people and the livestock and the parched land of the great Southwest. Did we hear any of the distinguished gentlemen from this grief-stricken area rise to complain of looseness in the use of taxpayers' money? Of course not, because the need was clear and present, as is the need for housing in my district.

Looseness? Would one be unfair, in defending the good will of Mr. Egan and of Mr. Foley, men whose hearts beat for

the needy men whose works and motives have here, directly and indirectly been impugned? How many Members of the Congress, who voted against public housing, on rollcall after rollcall, are there who volunteered to release these gentlemen from any housing commitments in their district? How many Members of Congress are there, who voted against public housing, who refused to accept the quotas allotted their districts?

I trust that the Yates amendment will pass. It does not compete with free enterprise. Rather, does it call for more cement, steel, payrolls for construction workers, and others and it will increase property values and the general wealth of each community and area involved. Is this un-American? Must man sow only to grow wheat? Can he not sow to build homes so that people may in comfort eat the wheat sown?

Mr. PHILLIPS. Mr. Speaker, I yield the remainder of the time to the majority leader, the gentleman from Indiana [Mr. HALLECK].

Mr. HALLECK. Mr. Speaker—

Mr. WHEELER. Mr. Speaker, will the gentleman yield for a question?

Mr. HALLECK. I yield.

Mr. WHEELER. Would it not be necessary to build many times 20,000 units if we are going to house all these 240,000 people that are going to need houses, the so-called refugees?

Mr. HALLECK. Mr. Speaker, this sort of debate has raged here through the years. Everyone knows what my individual position has been with respect to Federal public housing; I have consistently opposed it.

Some reference was made to philosophy, and I suppose in a measure that is involved. My very good friend from Massachusetts would try to draw certain distinctions in philosophy between the Democratic Party and the Republican Party, although I am quite sure that many gentlemen sitting on that side of the aisle will not go along with the distinction he tries to make. If you look at it as a fundamental proposition, there are many people, some on that side of the aisle, who think that all medical attention for the people of the United States should be provided by the Federal Government and paid for by the taxpayers. I think unfortunately there are some who believe that all housing for the people of our land should be provided by the Federal Government at the taxpayers' expense so that no one owns his own home. Sometimes rather hard words are attached to that sort of operation. For myself, I think it is a characterization that is well deserved.

The gentleman from Georgia, of course, is a little disturbed about the refugee immigration bill. Let us not get that mixed up in this particular proposition, and I do not want to yield further at this time, if the gentleman will permit.

Assuming that you want to build public housing, is it necessarily a Federal responsibility? Is the Federal Government to undertake it or, if there is such a responsibility, where do the States and the local communities fit in? There again I just happen to believe that if you find such a responsibility you might

well discover that you would have a more equitable, more efficient, and more economical result if you had more of that operation back in the States and in the confines of the local communities.

But, be that as it may, I want primarily to address myself to the matter of the compromise which has been worked out by the subcommittee; and may I say I applaud their efforts and support their actions all the way down the line. Some people thought they had found something inconsistent in my position when we had this matter first up for consideration because I talked about the maintenance of the status quo; and I think that is the better phrase to use. I said then that if you wanted to maintain the status quo, you might begin with the 35,000 figure that was set in the last Congress, or you might say we are just not going to have any new starts. Personally I took the position that the latter arrangement represented the status quo and ought to be satisfactory. I called attention to the fact that we were undertaking to set up a commission to study the whole matter of Federal, State, and local relationship so far as the Government is concerned.

I suggested that very definitely this matter of public housing would be one of the fields into which inquiry would be directed. So I said, "Let us permit this matter to go along with the House position until that report is made."

Subsequently there were various things said about the position of the President. But let me just read to you what he had to say in respect to this particular compromise having to do with Federal public housing.

I have been informed that the conference committee appointed to adjust the differences between the House and Senate on this question have agreed to recommend 20,000 units for fiscal 1954, at the same time preventing the making of any contracts that would commit the United States for any future fiscal year.

The new Commission on Federal-State Relations will undoubtedly go thoroughly into the question of the respective responsibilities of the States and the Federal Government in this field. Pending that Commission's recommendations, it seems to me that the conference agreement is a completely acceptable compromise between the position of the two Houses.

It certainly seems to me that that characterization of this compromise is a proper one.

Mr. YATES. Mr. Speaker, will the gentleman yield?

Mr. HALLECK. I yield to the gentleman from Illinois.

Mr. YATES. Does not the gentleman think the President of the United States ought to stop retreating? He certainly told the other body, as stated by Mr. Cole in answer to a question by Senator MAYBANK, that he favored the starting of 35,000 units. I read from the Senate hearings:

Senator MAYBANK. President Eisenhower recommended 35,000 units?

Mr. COLE. He recommended 35,000 units.

Certainly General Eisenhower ought to stabilize his lines and not retreat any more.

Mr. HALLECK. If the gentleman wants to take issue with the President of the United States on the position he has taken, he may go ahead and do so. I am not going to.

As far as I am concerned, may I say again as I said before, if you will check around a little you will find out that the people out in the country think Mr. Eisenhower is doing an excellent job.

To get back to this particular problem, the gentleman's motion will be to add 20,000. He talks about a pipeline. It has already been pointed out that you have plenty of pipeline already because apparently in spite of the restrictions that the Congress undertook to write into the law we have a great big pipeline already filled and ready to go.

I do not know what the commission will recommend, I do not know what the next session of this Congress of the United States will determine ought to be done about this problem, but it is completely ridiculous to argue that you could kill or annihilate or destroy for all time to come any program that can constantly be revived, put into effect ab initio by the Congress of the United States and the Government of the United States if that is what the Government and the Congress wants to do.

For that reason, and particularly in view of the very difficult fiscal situation which confronts us, I say that we can well afford to take it easy and to go slow.

We talk about low-cost public housing. As has been pointed out, it gets to be very expensive and I suppose per unit it is probably costing much more than the homes or the units in which the people live who not only paid for their own homes but who helped pay for the subsidy that is involved in the so-called public housing program. In any event, for the additional starts that have been talked about, we could add on to our already overburdened Treasury an obligation of perhaps another half billion dollars.

We must consider the very serious fiscal situation that confronts this country, with a clamor on every hand that taxes be reduced. How can we ever give the people of this country any reduction in taxes unless we begin to go slow on some of these programs that cost the Federal Government so much money?

Mr. PHILLIPS. Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The conference report was agreed to.

The SPEAKER. The Clerk will report the first amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 9: Page 10, line 13, insert the following: "purchase of not to exceed 16 passenger motor vehicles, for replacement only, and not to exceed."

Mr. PHILLIPS. Mr. Speaker, I move that the House recede and concur in the Senate amendment with an amendment.

The Clerk read as follows:

Mr. PHILLIPS moves that the House recede from its disagreement to the amendment of the Senate numbered 9, and concur

therein with an amendment, as follows: In lieu of the matter proposed by said amendment insert "purchase of not to exceed eight passenger motor vehicles, for replacement only, in the event adequate vehicles cannot be obtained by transfer from other departments or agencies."

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 33: Page 20, line 17, insert the following: "of which not to exceed \$125,000 shall be available for liquidation of the housing research program not later than April 30, 1954."

Mr. PHILLIPS. Mr. Speaker, I move that the House recede and concur in the Senate amendment.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 42: Page 24, strike out all after the proviso on line 18 down to and including the word "project" on line 3 on page 25, and insert the following: "Provided further, That, in any case whether the Public Housing Administration (after the approvals on the part of the governing body of the community required by law) has entered into a financial assistance contract with a local housing authority covering a low-rent housing project to be constructed in such community and the people of that community, by vote of their duly elected representatives, or by referendum, have thereafter indicated that they do not want such low-rent housing project constructed, then, in such case the Public Housing Administration, for a period (which shall not again be granted in connection with such low-rent housing project) of 180 days after the date of such vote or referendum, or the effective date of this act, whichever is the later date, or such longer period as the Housing and Home Finance Administrator, in his discretion, may grant, shall not (unless requested by the governing body of the locality to do so) authorize the award of any contract for the construction of such low-rent housing project, or advance any further funds for such low-rent housing project, and, during such period, the local community shall negotiate with the Public Housing Administration for the liquidation of such financial assistance contract and, if during such period the local community enters into a valid and binding contract with the Public Housing Administration for the repayment to it by the community of a stated amount representing moneys advanced or guaranteed by it under such financial assistance contract, and for the payment of any additional sums which the local housing authority or the Public Housing Administration would be obligated or liable to pay to secure releases from obligations theretofore incurred under such financial assistance contract, the Public Housing Administration shall cancel its financial assistance contract in respect to such low-rent housing project."

Mr. PHILLIPS. Mr. Speaker, I move that the House recede and concur in the Senate amendment with an amendment.

The Clerk read as follows:

Mr. PHILLIPS moves that the House recede from its disagreement to the amendment of the Senate numbered 42, and concur therein with an amendment, as follows: In lieu of the matter stricken out and inserted by said amendment, insert "Provided further, That unless the governing body of the locality agrees to its completion, no housing shall be authorized by the Public Housing Administration, or, if under construction con-

tinue to be constructed, in any community were the people of that community, by their duly elected representatives, or by referendum, have indicated they do not want it, and such community shall negotiate with the Federal Government for the completion of such housing, or its abandonment, in whole or in part, and shall agree to repay to the Government the moneys expended prior to the vote or other formal action whereby the community rejected such housing project for any such projects not to be completed plus such amount as may be required to pay all costs and liquidate all obligations lawfully incurred by the local housing authority prior to such rejection in connection with any project not to be completed: *Provided further*, That, in any case where the Public Housing Administration (after the approvals on the part of the governing body of the locality required by law) has entered into a financial assistance contract with a local housing authority covering any low-rent housing projects to be constructed in such locality and, (a) thereafter but prior to the effective date of this act, a majority of the members of the governing body of the locality, and the people of the locality have voted against any such low-rent housing projects, and (b) the local housing authority and the governing body of the locality agree to a modification of the agreement providing the required local cooperation in connection with such low-rent housing projects, the preceding proviso shall not be applicable and: (1) the Public Housing Administration shall not, unless the governing body of the locality shall, by resolution, request such action, (a) authorize the award of any contract for the construction of any such low-rent housing project, or (b) make any further advance of funds on account of any such project; (2) in the liquidation of any such contract has not heretofore been awarded, excepting only such funds as may be required by the local housing authority (i) to pay all costs and liquidate all obligations heretofore properly incurred by it in connection with any such project which pursuant to such modification is to be terminated and (ii) to pay costs in connection with the liquidation (including the sale of land or other assets) of any such terminated project, (2) in the liquidation of any such terminated project no claim shall be made by the local housing authority or the Public Housing Administration against the locality or its governing body on account of such termination; (3) the Public Housing Administration shall absorb as a loss, and shall release the local housing authority from, all claims, if any, of said Administration in connection with such terminated project in excess of the net amount realized from the sale by the local housing authority of all land (which if sold to other than a public agency shall be after public advertisement to the highest responsible bidder but if sold to a public agency may be at a price equal to the purchase price of the land, exclusive of improvements, as approved by the Public Housing Commissioner) and other assets acquired and held in connection with such terminated project; and (4) the Secretary of the Treasury shall credit as a payment upon the note or notes of the Public Housing Administration executed and delivered in connection with funds obtained pursuant to section 20 of the United States Housing Act of 1937, as amended, an amount equal to such loss as certified by the Public Housing Commissioner."

Mr. PHILLIPS. Mr. Speaker, I want the Members of the House to understand what this is, because it represents something that I think is very pleasing to all of us who have known personally the present mayor of Los Angeles and who was, for many years, a Member of this body. This was one of the most con-

troversial issues in previous bills, as to what should be done with the housing situation in Los Angeles, where the Public Housing Authority had approved the local housing authority's plans to build 13-story buildings in Los Angeles. It is impossible to get people to rent units of that kind over the fourth floor. We were facing a loss which would literally run into millions and millions of dollars, and we were facing a definite loss of \$8 million because we had advanced that much money after the Congress said no more money was to be advanced. The mayor of Los Angeles, the new mayor, sworn in on the 1st of July, as one of his first official acts, brought together all the divergent groups and got them all to agree to plan for a solution; brought them all to Washington; had a new contract signed, and the wording which makes that contract possible is the wording that has just been read to you by the Clerk. It is a minimum of loss to the Government. This may involve a loss of \$5 million, which is only half what any of us thought would be the minimum loss. I speak with considerable pride in my fellow Californian, and I know the Members will agree.

Mr. Speaker, I yield to the gentleman from California [Mr. McDONOUGH].

[Mr. McDONOUGH addressed the House. His remarks will appear hereafter in the Appendix.]

(Mr. McDONOUGH asked and was given permission to revise and extend his remarks.)

Mr. PHILLIPS. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on the motion.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 43: On page 27, line 3, strike out the proviso down through and including line 11, and insert the following: "Provided further, That notwithstanding the provisions of the United States Housing Act of 1937, as amended, the Public Housing Administration shall not, with respect to projects initiated after March 1, 1949, (1) authorize during the fiscal year 1954 the commencement of construction of in excess of 35,000 dwelling units or (2) after the date of approval of this act, enter into any agreement, contract, or other arrangement which will bind the Public Housing Administration with respect to loans, annual contributions, or authorizations for commencement of construction, for dwelling units aggregating in excess of 35,000 to be authorized for commencement of construction during any 1 fiscal year subsequent to the fiscal year 1954, unless a greater number of units is hereafter authorized by the Congress."

Mr. PHILLIPS. Mr. Speaker, I move that the House recede and concur in the Senate amendment with an amendment.

The Clerk read as follows:

Mr. PHILLIPS moves that the House recede from its disagreement to the amendment of the Senate numbered 43, and concur therein with an amendment, as follows: In lieu of the matter stricken out and inserted by said amendment insert "Provided further, That notwithstanding the provisions of the United States Housing Act of 1937, as amended, the Public Housing Administration shall not, with

respect to projects initiated after March 1, 1949, (1) authorize during the fiscal year 1954 the commencement of construction of in excess of 20,000 dwelling units or (2) after the date of approval of this act, enter into any new agreements, contracts, or other arrangements, preliminary or otherwise, which will ultimately bind the Public Housing Administration during fiscal year 1954 or for any future years with respect to loans or annual contributions for any additional dwelling units or projects unless hereafter authorized by the Congress to do so, and during the fiscal year 1954 the Housing and Home Finance Administrator shall make a complete analysis and study of the low-rent public housing program and, on or before February 1, 1954, shall transmit to the Appropriations Committees of the House and Senate his recommendations with respect to such low-rent public housing program."

Mr. YATES. Mr. Speaker, may I ask the chairman of our subcommittee for time to discuss this motion?

The SPEAKER. Does the gentleman want to debate it?

Mr. YATES. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. YATES. As I understand the rules of the House, a motion such as this is entitled to 1 hour of debate. Is that correct?

The SPEAKER. The gentleman from California is entitled to 1 hour if he desires to use it.

Mr. PHILLIPS. My statement to the gentleman from Illinois, Mr. Speaker, was that if I was unable to give him time during the previous hour I would see that he got time on this motion. It is my intention to move the previous question.

Mr. YATES. Does the gentleman object to giving me 10 minutes in which to make my position clear?

Mr. PHILLIPS. The gentleman has already consumed 12 minutes, which is more than anybody else has had. My own feeling is that the matter is thoroughly understood by everybody on the floor, and I am constrained to move the previous question.

The SPEAKER. Without objection, the previous question is ordered.

There was no objection.

Mr. YATES. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. YATES. Is my understanding correct that those who oppose this amendment are not entitled to time within which to make their position clear?

The SPEAKER. The gentleman from California under the rules is entitled to 1 hour. He has moved the previous question, to which the House has agreed.

Mr. YATES. Under the rules of the House, the gentleman, having 1 hour at his disposal, is entitled not to give any time to the opponents if he chooses not to?

The SPEAKER. The gentleman has control of the time to yield as he pleases.

Mr. YATES. Will the gentleman yield me 5 minutes?

The SPEAKER. We have gone beyond that. The previous question has

been ordered. No more time is available at this time.

Mr. YATES. On that motion, Mr. Speaker, I ask for the yeas and nays.

Mr. TABER. Mr. Speaker, a point of order. The request comes too late.

The SPEAKER. The gentleman can get the yeas and nays. The Chair has not stated the question on the motion as yet.

Mr. YATES. I withdraw my request, Mr. Speaker.

The SPEAKER. The question is on the motion offered by the gentleman from California to recede and concur in the Senate amendment with an amendment.

The question was taken; and on a division (demanded by Mr. YATES) there were—yeas 44, nays 81.

Mr. YATES. Mr. Speaker, I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 239, nays 161, not voting 31, as follows:

[Roll No. 97]

YEAS—239

Abbott	Dempsey	Krueger
Abernethy	Derounian	Laird
Adair	Devereux	Landrum
Alexander	D'Ewart	Latham
Allen, Calif.	Dondero	LeCompte
Allen, Ill.	Dowdy	Lovre
Andersen,	Durham	Lucas
H. Carl	Ellsworth	Lyle
Andresen	Fenton	McConnell
August H.	Fisher	McCulloch
Angell	Ford	McDonough
Arends	Forrester	McGregor
Ashmore	Fountain	McIntire
Auchincloss	Gamble	McMillan
Baker	Gary	Mack, Wash.
Barden	Gathings	Mahon
Bates	Gavin	Maillard
Beamer	Gentry	Martin, Iowa
Becker	George	Matthews
Belcher	Golden	Meador
Bennett, Fla.	Graham	Merrill
Bentley	Gregory	Miller, Md.
Bentsen	Gross	Miller, Nebr.
Berry	Gubser	Miller, N. Y.
Betts	Gwinn	Mills
Bishop	Hagen, Minn.	Mumma
Bolton,	Hale	Murray
Oliver P.	Halleck	Neal
Bonin	Harden	Nelson
Bonner	Harrison, Nebr.	Nicholson
Bosch	Harrison, Va.	Norblad
Bow	Harrison, Wyo.	Norrell
Bramblett	Harvey	Oakman
Brooks, La.	Herlong	Osmer
Brown, Ga.	Hess	Ostertag
Brown, Ohio	Hiestand	Passman
Brownson	Hill	Patten
Broyhill	Hillelson	Pelly
Budge	Hillings	Phillips
Burleson	Hinshaw	Pilcher
Busbey	Hoeven	Pillion
Bush	Hoffman, Ill.	Poage
Byrnes, Wis.	Hoffman, Mich.	Poff
Camp	Holt	Radwan
Carlyle	Hope	Ray
Carrigg	Horan	Reed, N. Y.
Chenoweth	Hosmer	Rees, Kans.
Chiperfield	Hruska	Regan
Church	Hunter	Rhodes, Ariz.
Clardy	Hyde	Richards
Clevenger	Ikard	Riehlman
Cole, Mo.	Jackson	Riley
Cole, N. Y.	James	Rivers
Colmer	Jarman	Robeson, Va.
Cooley	Jenkins	Robison, Ky.
Coon	Jensen	Rogers, Fla.
Cotton	Johnson	St. George
Coudert	Jonas, Ill.	Scherer
Crumacker	Jonas, N. C.	Scrivner
Cunningham	Jones, N. C.	Scudder
Curtis, Mass.	Kearney	Shafer
Curtis, Mo.	Kearns	Sheehan
Curtis, Nebr.	Keating	Short
Dague	Kersten, Wis.	Shuford
Davis, Ga.	Kilburn	Sikes
Davis, Wis.	King, Pa.	Simpson, Ill.
Dawson, Utah	Knox	Simpson, Pa.

Small
Smith, Kans.
Smith, Miss.
Smith, Va.
Smith, Wis.
Springer
Stauffer
Stringfellow
Sutton
Taber
Talle
Teague
Thomas
Thompson, La.

Thompson, Mich.
Tuck
Utt
Van Pelt
Van Zandt
Velde
Vinson
Vorys
Vursell
Wainwright
Wampler
Warburton
Weichel

Westland
Wharton
Wheeler
Whitten
Wickersham
Williams, Miss.
Williams, N. Y.
Wilson, Calif.
Wilson, Ind.
Wilson, Tex.
Winstead
Wolcott
Young
Younger

NAYS—161

Addonizio
Albert
Andrews
Aspinall
Ayres
Bailey
Barrett
Bender
Bennett, Mich.
Blatnik
Boggs
Bolling
Bolton,
Frances P.
Bowler
Boykin
Bray
Brooks, Tex.
Buchanan
Burdick
Byrd
Byrne, Pa.
Campbell
Canfield
Cannon
Carnahan
Cederberg
Celler
Chelf
Chudoff
Condon
Cooper
Corbett
Cretella
CROSSER
Davis, Tenn.
Deane
Dodd
Dollinger
Donovan
Dorn, N. Y.
Dorn, S.C.
Doyle
Eberharter
Edmondson
Elliott
Engle
Evins
Fallon
Feighan
Fernandez
Fine
Fino
Forand

Frazier
Frelinghuysen
Friedel
Fulton
Garmatz
Goodwin
Gordon
Granahan
Grant
Hagen, Calif.
Haley
Hand
Hardy
Harris
Hart
Hays, Ark.
Hays, Ohio
Heseltun
Holfield
Holmes
Holtzman
Howell
Javits
Jones, Ala.
Jones, Mo.
Judd
Karsten, Mo.
Kearney
Kee
Kelley, Pa.
Kelly, N. Y.
Keogh
King, Calif.
Kirwan
Klein
Kluczynski
Lane
Lanham
Lantaff
Lesinski
Long
McCormack
Machrowicz
Mack, Ill.
Madden
Magnuson
Marshall
Marrow
Metcalfe
Miller, Calif.
Miller, Kans.
Mollohan
Morano
Morgan

Battle
Boland
Buckley
Case
Chatham
Dawson, Ill.
Delaney
Dies
Dingell
Dolliver
Donohue

Fogarty
Green
Hébert
Heller
Kilday
McCarthy
McVey
Mason
Morrison
O'Hara, Minn.
O'Neill

So the motion was agreed to.
The Clerk announced the following pairs:

On this vote:
Mr. Hébert for, with Mr. O'Neill against.
Mr. Dies for, with Mr. Roosevelt against.
Mr. Reed of Illinois for, with Mr. Green against.
Mr. Mason for, with Mr. Delaney against.
Mr. Reece of Tennessee for, with Mr. Dingell against.

Until further notice:
Mr. Case with Mr. Morrison.
Mr. McVey with Mr. Bolland.
Mr. O'Hara of Minnesota with Mr. McCarthy.

Mr. Schenck with Mr. Yorty.
Mr. Dolliver with Mr. Fogarty.
Mr. Wigglesworth with Mr. Heller.

Mr. BURDICK changed his vote from "yea" to "nay."

Mr. KERSTEN of Wisconsin changed his vote from "nay" to "yea."

The result of the vote was announced as above recorded.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 46: Page 29, line 10, insert the following: "purchase of not to exceed nine passenger motor vehicles, for replacement only."

Mr. PHILLIPS. Mr. Speaker, I move that the House recede and concur in the Senate amendment with an amendment.

The Clerk read as follows:

Mr. PHILLIPS moves that the House recede from its disagreement to the amendment of the Senate numbered 46, and concur therein with an amendment, as follows: In lieu of the matter proposed by said amendment insert "purchase of not to exceed four passenger motor vehicles, for replacement only, in the event adequate vehicles cannot be obtained by transfer from other departments or agencies."

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 53: Page 33, line 4, strike out all of line 4 and down to and including the word "acquisition" in line 8 and insert the following: "For necessary expenses for the National Capital Planning Commission in connection with the acquisition of land for the park, parkway, and playground system of the National Capital, as authorized by the act of May 29, 1930 (46 Stat. 482), as amended, \$365,000, to remain available until expended, \$100,000 of said sum to be used for carrying out the provisions of section 1 (a) of said act and \$265,000 for carrying out the provisions of section 1 (b) of said act: *Provided*, That not exceeding \$24,940 of the funds available for land acquisition purposes shall be used during the current fiscal year for necessary expenses of the Commission (other than payments for land) in connection with land acquisition."

Mr. PHILLIPS. Mr. Speaker, I move that the House recede and concur in the Senate amendment with an amendment.

The Clerk read as follows:

Mr. PHILLIPS moves that the House recede from its disagreement to the amendment of the Senate numbered 53, and concur therein with an amendment, as follows: In lieu of the matter stricken out and inserted by said amendment insert "for necessary expenses for the National Capital Planning Commission in connection with the acquisition of land for the park, parkway, and playground system of the National Capital, as authorized by the act of May 29, 1930 (46 Stat. 482), as amended, \$100,000, to remain available until expended, to be used for carrying out the provisions of section 1 (a) of said act: *Provided*, That not exceeding \$24,940 of the funds available for land acquisition purposes shall be used during the current fiscal year for necessary expenses of the Commission (other than payments for land) in connection with land acquisition."

The motion was agreed to.

A motion to reconsider the votes by which action was taken on the several motions was laid on the table.

GENERAL LEAVE TO EXTEND

Mr. PHILLIPS. Mr. Speaker, I ask unanimous consent that all Members may be permitted to extend their remarks on the conference report just adopted and, if necessary, include other material.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

PERMISSION FOR COMMITTEES TO SIT DURING SESSION OF HOUSE

Mr. HALLECK. Mr. Speaker, I have been considering the matter of the House coming in early tomorrow. In connection with that, I ask unanimous consent that all of the legislative committees or any of the legislative committees that choose to sit tomorrow during general debate during the session of the House may have that permission.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

Mr. GROSS. Mr. Speaker, reserving the right to object, does the gentleman mean all legislative committees?

Mr. HALLECK. Any legislative committee that so chooses may sit tomorrow during the session of the House while the House is engaged in general debate on the Mutual Security Administration appropriation bill.

Mr. GROSS. Mr. Speaker, there are some of us who would like to be here during the debate on the MSA. I suppose that that means that the Committee on Post Office and Civil Service would continue in session, and under those circumstances I am constrained to object.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

Mr. GROSS. Mr. Speaker, I object.

SUBCOMMITTEE NO. 3 OF THE COMMITTEE OF THE JUDICIARY

Mr. KEATING. Mr. Speaker, I ask unanimous consent that Subcommittee No. 3 of the Committee on the Judiciary may sit during general debate tomorrow.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

MESSAGE FROM THE SENATE

A further message from the Senate by Mr. Ast, one of its clerks, announced that the Senate had passed without amendment a bill of the House of the following title:

H. R. 5228. An act to amend section 303 of the Budget and Accounting Act, 1921 (42 Stat. 23).

The message also announced that the Senate insists upon its amendments to the bill (H. R. 5141) entitled "An act to create the Small Business Administration and to preserve small-business institutions and free, competitive enterprise," disagreed to by the House; agrees to the conference asked by the House on the disagreeing votes of the two

Houses thereon, and appoints Mr. CAPEHART, Mr. BRICKER, Mr. IVES, Mr. BENNETT, Mr. MAYBANK, Mr. FULBRIGHT, and Mr. ROBERTSON to be the conferees on the part of the Senate.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 4974) entitled "An act making appropriations for the Departments of State, Justice, and Commerce, for the fiscal year ending June 30, 1954, and for other purposes."

The message also announced that the Senate agrees to the amendments of the House to Senate amendments Nos. 4, 23, 24, 26, and 28 to the above-entitled bill; and that the Senate further insists upon its amendment No. 34, disagreed to by the House, and ask a further conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. BRIDGES, Mr. SALTONSTALL, Mr. FERGUSON, Mr. SMITH of New Jersey, Mr. McCARRAN, Mr. ELLENDER, and Mr. HILL to be conferees on the part of the Senate.

CIVIL FUNCTIONS APPROPRIATIONS BILL, 1954

Mr. DAVIS of Wisconsin. Mr. Speaker, I call up the conference report on the bill (H. R. 5376) making appropriations for civil functions administered by the Department of the Army for the fiscal year ending June 30, 1954, and for other purposes, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

The Clerk read the statement.

By unanimous consent, at the request of Mr. DAVIS of Wisconsin, further reading of the statement was dispensed with.

(For conference report and statement, see proceedings of the House of July 20, 1953.)

Mr. DAVIS of Wisconsin. Mr. Speaker, this conference report makes an appropriation of \$440,093,600. The bill, H. R. 5376, when it left the House carried appropriations of approximately \$416 million. The addition in the Senate was about \$57 million. The conference report today represents approximately \$23.7 million more than was carried in the House bill and about \$33.7 million less than was carried in the Senate bill. As the conference report stands today, it represents a reduction of about 35.6 percent from the original budget, 24.7 percent less than this appropriation for last year, and slightly more than 8 percent reduction from the revised budget estimate that was submitted to us.

The statement of the managers on the part of the House gives a very concise review of the action of the conferees, and I invite the attention of the Members to that statement. One matter should be pointed out: The fund allocated for the Missouri River, Kansas City to Sioux City, in the amount of \$3,500,000

are not to be used to initiate construction in the reach from Omaha to Sioux City. This is in conformity with the previous action of the House on this matter when this bill was before the House. In order to conserve time, I would suggest that if there are questions which Members would like to ask, rather than for me to take the time to make a statement at this time, I will be glad to attempt to answer any questions.

Mr. SMALL. Mr. Speaker, will the gentleman yield?

Mr. DAVIS of Wisconsin. I yield.

Mr. SMALL. Mr. Speaker, I would simply like to ask the gentleman this question. The Senate put in \$500,000 for flood control at Peace Cross in Maryland. It was necessary that we have some Federal money in order that we could spend \$4¼ million of our own money. I understand it was taken out in conference. But there seems to be some difference of opinion as to what was put in. So I would like to ask the gentleman to explain, if he would, whether we got something or whether we did not?

Mr. DAVIS of Wisconsin. There were no construction funds included in the conference report. On page 7 of the conference report is a list of the projects for which planning funds are available. The project referred to by the gentleman, "District of Columbia—Anacostia River," is included in that list of planning projects. The only request we have ever had from the Corps of Engineers was for planning money. This year that request was for \$175,000. While I cannot state that the specific amount for planning is included in the conference report, it can fairly and accurately be said that a substantial amount for planning on this project is included in the overall amount for planning.

Mr. SMALL. But planning money does us no good on construction. The Senate did put in half a million dollars for construction. Is that correct?

Mr. DAVIS of Wisconsin. The Senate put in \$500,000 for construction, and that money is not included in the conference report.

Mr. SMALL. Which prevents us from spending our money. Planning money does no good.

Mr. SHEPPARD. Mr. Speaker, will the gentleman yield?

Mr. DAVIS of Wisconsin. I yield to the gentleman from California.

Mr. SHEPPARD. When the bill left the House, as I recall it, the item pertaining to the San Antonio Dam construction project in San Bernardino County, Calif., had been reduced to \$240,000 for the purpose of discharging obligations that the contractors might have at that time. Was there any change made in that particular item of the bill in the Senate to which the House has agreed?

Mr. DAVIS of Wisconsin. Yes, there is a difference. The conference report carries \$1,700,000 for that project, which means that the corps is now authorized to proceed with contracts not contemplated at the time the House committee made its report to the House.

Mr. SHEPPARD. May I say in behalf of the people of that particular area that we thank your conferees very much for this favorable consideration.

Mr. JENKINS. Mr. Speaker, will the gentleman yield?

Mr. DAVIS of Wisconsin. I yield to the gentleman from Ohio.

Mr. JENKINS. I have a question similar to the question asked by the gentleman from Maryland [Mr. SMALL]. It is with reference to an item on page 7 of your report where it says, "Kentucky: Greenup locks and dam, Kentucky and Ohio." Can the gentleman give me any information with respect to what that will be or how that will be handled? It appears on page 7 of the report.

Mr. DAVIS of Wisconsin. I recall the item very well. The requested amount for planning which was originally made was \$100,000. My answer to the gentleman from Ohio would be similar to the answer I made to the gentleman from Maryland [Mr. SMALL], a minute ago. There is money in this report for planning for this project. I cannot specifically tell the gentleman just how much, because we have provided a lump sum and listed the projects for which the planning money may be spent.

Mr. JENKINS. What you have done in this case will be in conformity with what the Senate has already done, so that the chances are there will be no necessity for ironing it out in any conference. In other words, you do not know what the amount is but you know there is a fixed amount.

Mr. DAVIS of Wisconsin. I would not say "a fixed amount," but "an amount." It would be contemplated that the corps would proceed with the planning of this project.

Mr. JENKINS. I thank the gentleman very much.

Mr. ROONEY. Mr. Speaker, will the gentleman yield?

Mr. DAVIS of Wisconsin. I yield to the gentleman from New York.

Mr. ROONEY. I would like to ask the gentleman with regard to the amount \$349,000 included in this conference report for Gowanus Creek Channel, Brooklyn, whether or not that amount will insure the completion of the project, which is the deepening of the channel and the improvement of the creek?

Mr. DAVIS of Wisconsin. As the gentleman will very well recall, the figure in the House bill was \$400,000. The Senate reduced that to \$349,000. The House accepted that figure on the basis of assurance we received that the amount would be sufficient to complete the project.

Mr. ROONEY. I thank the gentleman and his conferees on the part of the House.

Mr. BURDICK. Mr. Speaker, will the gentleman yield?

Mr. DAVIS of Wisconsin. I yield to the gentleman from North Dakota.

Mr. BURDICK. They put a limitation on the amount of appropriation for the building of dikes at the Williston project of some \$4 million. I understand some of that money has been restored, but the language used will pre-

vent the building of the dikes until the program is resubmitted to Congress. Is that the situation?

Mr. DAVIS of Wisconsin. I think that summarizes the situation accurately on the basis of language inserted by the Senate and accepted by the conferees.

Mr. SHORT. Mr. Speaker, will the gentleman yield?

Mr. DAVIS of Wisconsin. I yield.

Mr. SHORT. As the gentleman knows, during the past dozen years the Congress has appropriated and spent over \$800,000 for studies and surveys and soundings at Table Rock Dam in Missouri and Arkansas—that is where the reservoir would be. Last year the Congress voted \$3 million for the beginning of actual construction. I wonder if the gentleman could inform the House how much of that \$3 million has been spent.

Mr. DAVIS of Wisconsin. My best recollection is that there has been about \$1 million of that \$3 million obligated, which means that there is being held in abeyance at the present time approximately \$2 million.

The conference report contains an additional \$1 million with certain language which would mean that the entire sum of about \$3 million is being held in abeyance pending the completion of a study to be made by the Corps of Engineers. The report on that study is to be made available to the Appropriations Committee of the House and the Senate prior to January 1, and that the committees will then on the benefits of the information furnished to us make a decision. If a favorable report is made by the Appropriations Committees of the House and the Senate, if they give their approval it would mean that this sum would then become immediately available for this project.

Mr. SHORT. I want to thank the gentleman for granting this \$1 million new money for general construction, but the difficulty is that none of it can be spent until further studies are made. Studies have been made over the past dozen years, made by the district engineers, the regional engineers, the Chief of Engineers, the Federal Power Commission, the Flood Control Committees of the House and the Senate. Both Houses have authorized the project, and we have actually voted money for the beginning of construction. I am wondering how many more years we will have to wait until we can make certain that this worthy project will be carried out. Of course I am glad you have limited the time so that you will get a definite report for the first of the year. But as I understand the statement of the gentleman from Wisconsin this \$1 million of new money will be added to the \$2 million held in abeyance so that there will be \$3 million for the beginning of actual construction of the dam if a favorable report is received the first of the year.

Mr. DAVIS of Wisconsin. The gentleman's understanding of it is correct.

Mr. NORRELL. Mr. Speaker, will the gentleman yield?

Mr. DAVIS of Wisconsin. I yield to the gentleman from Arkansas.

Mr. NORRELL. On page 7 of the conference report regarding legislation on

Senate 7/24/53

15. STATISTICS. The Post Office and Civil Service Committee reported without amendment S. 2348, to repeal the act to authorize the Census Bureau to collect and publish statistics of red-cedar shingles (S. Rept. 640 (p. 10046)).
16. PERSONNEL. Sen. Williams spoke in favor of S. 2308, his bill to provide that the Justice Department investigate alleged criminal violations on the part of any Government employee in any agency, but said he was willing for the bill to go over until next session for further study (pp. 10052-3).
17. GRAIN STORAGE. Sens. Murray and Humphrey criticized this Department for not providing for additional grain-storage facilities and stated that the price-support program is being impaired (pp. 10054-9).
18. DC, APPROPRIATION BILL, 1954. Passed with amendments this bill, H. R. 5471. Conferees were appointed. (pp. 10080-93.)
19. FIRST INDEPENDENT OFFICES APPROPRIATION BILL, 1954. Rejected the conference report on this bill, H. R. 4663, because of an ICC item. Conferees were appointed for a further conference. (pp. 10094-117.)
20. CUSTOMS SIMPLIFICATION. H. R. 5877, the customs-simplification bill, was made the unfinished business (pp. 10093-4).

BILL INTRODUCED

21. CONTRACTS. S. 2471, by Sen. Kennedy, to amend the Public Contracts Act; to Labor and Public Welfare Committee. Remarks of author. (pp. 10046-8.)

ITEMS IN APPENDIX

22. T. V. A. Rep. Priest and Sen. Sparkman inserted newspaper articles and a letter commending TVA as beneficial to farmers (pp. A4878-80, 4882-3, 4899, 4901).
23. WATER CONSERVATION. Rep. Rogers, Tex., inserted a newspaper article discussing the Reclamation Bureau's report on Texas water resources (p. A4886).
24. FORESTRY. Sen. Butler, Md., inserted a Reader's Digest article on fraudulent mining claims in the national forests (pp. A4894-5).
25. REORGANIZATION. Rep. Gwinn inserted Robert B. Dresser's speech opposing further concentration of Federal power and favoring return of power to the States (pp. A4896-7).
Extension of remarks of Rep. Bender praising Hoover's acceptance of the appointment to the new commission on organization (p. A4900).
26. CATTLE PRICES. Extension of remarks of Rep. Poff stating that he plans no investigation of monopoly in cattle marketing, since the cattle market has rallied (pp. A4884-5).
27. FOREIGN TRADE. Speech in the House by Rep. Vorys opposing H. R. 5894, to further modify the Trade Agreements Act (pp. A4908-9).
Speech in the House by Rep. Miller, Kans., favoring H. R. 5894 (p. A4889).
28. FOREIGN AID. Speech in the House by Rep. Philbin favoring "sizable cuts...in current foreign expenditures" (pp. A4912-3).
Sen. Clements inserted a newspaper article discussing Pakistan's need for U. S. wheat (pp. A4872-3).

29. TREATIES. Sens. Wiley and Kefauver and Rep. Sutton inserted editorials, etc., opposing the Bricker resolution to limit treaty powers (pp. A4871, 4889-94, 4897-8).
30. COTTON. Rep. Hagen inserted a chart showing the 1953 cotton planting in the 19 cotton States and the loss to each under the present quota law and the various proposals in Congress (pp. A4877-8).
31. HAWAII. Extension of remarks of Del. Farrington pointing out the "strength and stability" of Hawaii's agriculture (p. A4878).
32. PRICE SUPPORTS; FOREIGN TRADE. Rep. Gary inserted a newspaper editorial praising Sen. Robertsen's address opposing "surplus-encouraging price supports" and favoring low tariffs to foster exports (p. A4880).
33. DROUGHT RELIEF. Sen. Johnson, Tex., inserted a newspaper article discussing the effects of the drought in Tex. (p. A4881).
Rep. Ikard inserted newspaper articles claiming farmers are "completely disgusted" with the State drought-relief committee's eligibility regulations (pp. A4885-6).

COMMITTEE HEARINGS JULY 27: Famine relief, H. Agriculture (exec).

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For supplemental information and copies of legislative material referred to, call Ext. 4654 or send to Room 105A.

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been raised, and we would be appropriating money already in the Treasury of the United States. For that reason it would not be a tax matter, as we look upon it from the standpoint of the Federal Government. I am not contending it is not legislation on an appropriation bill.

The PRESIDING OFFICER. (Mr. GRISWOLD in the chair). The Chair sustains the point of order.

The bill is open to further amendment. Mr. CASE. Mr. President, there has been considerable discussion about the possibility of additional airport facilities for the District of Columbia. At one time it was proposed to take a large tract of land in the State of Virginia for the purpose of building the so-called Burke Airport. More recently there has been discussion of the possible use of the Andrews Air Force base. At the same time the suggestion was made that the Friendship Airport at Baltimore be used to supplement the airport facilities for the District of Columbia.

Believing that it might be possible to will 2 birds with 1 stone, so to speak, I addressed an inquiry to the Engineer Commissioner of the District of Columbia, to find out if it would be possible to expedite improvements on the Washington-Baltimore Parkway and thereby bring the Friendship Airport closer to Washington, in point of time. I have a letter from the Engineer Commissioner, General Prentiss, under date of July 23, and I ask unanimous consent that it may be printed in the RECORD at this point, because of its importance to the consideration of the transportation problem in the District of Columbia.

I might add that the net effect of the letter is to point out that the Friendship Airport could be brought within 41 minutes of the heart of Washington, which would compare with 30½ minutes from the Burke Airport. In other words, there would be a difference of 10 minutes between the two airports after the improvements on the Washington-Baltimore Parkway had been completed. I commend the reading of the letter to all Members of the Senate.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

GOVERNMENT OF THE
DISTRICT OF COLUMBIA,
EXECUTIVE OFFICES,
Washington, D. C., July 23, 1953.

The Honorable FRANCIS CASE,
United States Senate,

Washington, D. C.

DEAR SENATOR CASE: In compliance with your request of July 13, 1953, for specific information regarding relative running times between the United States Capitol Building and various airport sites in the vicinity of Washington, I am pleased to submit the following factual data gathered by the Department of Highways:

The sites checked were: Friendship International Airport, Andrews Air Force Base, National Airport, and the proposed Burke Airport. A time-distance study was conducted during both the peak and off-peak hours over existing routes (table 1).

On routes where improvements are proposed, the time-distance figures are computed over the improved projects (table 2).

TABLE 1.—Over existing routes

	Distance	Time
	Miles	
Friendship....	33.75	60.5 minutes (peak), 57 minutes (off peak).
Andrews.....	11.2	23.5 minutes (peak), 19.5 minutes (off peak).
National.....	4.5	12 minutes (off peak).
Burke.....	20.5	37 minutes (peak), 36 minutes (off peak).

TABLE 2.—Estimated over improved routes

	Distance	Time
	Miles	
Friendship....	31.0	44 minutes (peak), 41 minutes (offpeak).
Andrews.....	11.2	22 minutes (peak), 19 minutes (offpeak).
National.....	4.5	11 minutes (offpeak).
Burke.....	20.5	31.5 minutes (peak), 30.5 minutes (offpeak).

As stated above, the foregoing checks were made between the Capitol and the airport sites. In addition, the following table No. 3 is a record of information furnished the Department of Highways by the Civil Aeronautics Administration and represents checks made by that agency between the same airport sites and the intersection of 16th and K Streets NW., in Washington, during off-peak hours.

TABLE 3
OVER EXISTING ROUTES

From—	To—	Mileage	Time in minutes
16th and K Sts...	Friendship.....	36.8	56.0
	National.....	4.8	13.7
	Shirley Highway and Franconia Rd.	13.5	20.8
	Andrews.....	12.5	27.5

ESTIMATED OVER IMPROVED ROUTES

16th and K Sts...	Friendship.....	32.4	47.9
	Andrews.....		20.00
	Burke.....	18.75	26.81

The Department of Highways has based their estimated time and distance over new routes on the following construction considerations:

FRIENDSHIP AIRPORT

The completion of the Baltimore-Washington Parkway in Maryland; the scheduled reconstruction and new paving of the Kenilworth Avenue Freeway in the District; the completion of the East Capitol Street Bridge and its western approaches, also within the District.

ANDREWS AIR FORCE BASE

There is no contemplated improvement of this route. However, a slight savings in time is expected upon the elimination of present traffic congestion on South Capitol Street by the construction of the Southwest Freeway which will permit unimpeded left turns from South Capitol Street.

NATIONAL AIRPORT

This route will be improved by the proposed Southwest Freeway. The total distance will remain unchanged, but the travel time should be reduced because of the expressway characteristics of the freeway.

BURKE AIRPORT

The highway improvement affecting this route are the Southwest Freeway within the District and the access road that would be

constructed from the Shirley Highway to the airport site.

When listing the various sites in order of off-peak travel time, and with the recommended improvements in place, they appear as follows:

	Minutes
National Airport.....	11
Andrews Air Force Base.....	19
Burke Airport.....	30.5
Friendship Airport.....	41

It will be noted that the only material time reduction will be realized on the route to Friendship International Airport. This will be accomplished by the completion of certain projects now under construction or presently scheduled. In the District of Columbia, these projects include the pending improvement of the Kenilworth Avenue Freeway connecting the Baltimore-Washington Parkway with the East Capitol Street Bridge. The bridge project itself is currently under way. The remaining portion of the route consists of improving the approaches to the bridge from downtown Washington. The projects comprising this route are deemed urgent in order to afford a proper connection with the Baltimore-Washington Parkway, which is scheduled for completion in 1954, and would incidentally complete the improved route to the Friendship Airport.

The Congress has authorized funds for the completion of the East Capitol Street Bridge and 1 of the 3 major structures to be built on the Kenilworth Avenue Freeway. Our 1954 budget contains a request for funds for the second major structure on the Kenilworth Avenue Freeway and we will request future appropriations for the remainder of the freeway project and the western approaches to the East Capitol Street Bridge.

Hoping this information meets with your request, and with warmest personal regards, I am,

Sincerely yours,

LOUIS W. PRENTISS,
Brigadier General, United States Army,
Engineer Commissioner.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment, the question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill (H. R. 5471) was read the third time and passed.

Mr. DIRKSEN. Mr. President, I move that the Senate insist upon its amendments, request a conference thereon with the House of Representatives, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. DIRKSEN, Mr. FERGUSON, Mr. MCCARTHY, Mr. CASE, Mr. HILL, Mr. MCCLELLAN, and Mr. MAGNUSON conferees on the part of the Senate.

CUSTOMS SIMPLIFICATION ACT OF 1953

Mr. KNOWLAND. Mr. President, for the information of the Senate I shall move to take up Calendar No. 634, H. R. 5877, the customs simplification bill, for the purpose of making the bill the unfinished business of the Senate. It is not my intention that the Senate consider it this evening.

First I shall call up a privileged matter, the conference report on the independent offices appropriation bill, but I wanted to announce that first I would ask that the customs simplification bill be made the unfinished business.

Mr. President, I move that the Senate proceed to the consideration of Calendar No. 634, House bill 5877.

The PRESIDING OFFICER. The clerk will state the bill by title.

The LEGISLATIVE CLERK. A bill (H. R. 5877) to amend certain administrative provisions of the Tariff Act of 1930 and related laws, and for other purposes.

The PRESIDING OFFICER. The question is on the motion of the Senator from California.

The motion was agreed to; and the Senate proceeded to consider the bill (H. R. 5877) which had been reported from the Committee on Finance with amendments.

FIRST INDEPENDENT OFFICES APPROPRIATIONS, 1954—CONFERENCE REPORT

Mr. SALTONSTALL. Mr. President, I submit a report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 4663) making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1954, and for other purposes. I ask unanimous consent for its present consideration.

The PRESIDING OFFICER. The report will be read for the information of the Senate.

The report was read.

(For conference report, see House proceedings of July 20, 1953, pp. 9556-9557.)

Mr. HUNT. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll and the following Senators answered to their names:

Alken	Gore	Martin
Anderson	Griswold	McCarran
Barrett	Hayden	McCarthy
Beall	Hendrickson	McClellan
Bennett	Hennings	Millikin
Bush	Hickenlooper	Monroney
Butler, Md.	Hill	Morse
Butler, Nebr.	Hoey	Mundt
Byrd	Holland	Murray
Capehart	Humphrey	Neely
Carlson	Hunt	Payne
Case	Ives	Potter
Chavez	Jackson	Purtell
Clements	Jenner	Robertson
Cooper	Johnson, Colo.	Russell
Cordon	Johnson, Tex.	Saltonstall
Daniel	Johnston, S. C.	Schoeppel
Dirksen	Kefauver	Smathers
Douglas	Kennedy	Smith, Maine
Duff	Kerr	Smith, N. J.
Dworshak	Kilgore	Sparkman
Eastland	Knowland	Stennis
Ellender	Kuchel	Symington
Ferguson	Langer	Thye
Flanders	Lehman	Watkins
Frear	Lennon	Welker
Fulbright	Long	Wiley
George	Magnuson	Williams
Gillette	Malone	Young
Goldwater	Mansfield	

Mr. SALTONSTALL. I announce that the Senator from New Hampshire

[Br. BRIDGES] is absent because of illness.

The Senator from Ohio [Mr. BRICKER], the Senator from Ohio [Mr. TAFT], and the Senator from New Hampshire [Mr. TOBEY] are necessarily absent.

The PRESIDING OFFICER. A quorum is present. Is there objection to the present consideration of the report?

There being no objection, the Senate proceeded to consider the report.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

Mr. SALTONSTALL. Mr. President, the conference report on the first independent offices appropriation bill was agreed to by the conferees after considerable discussion, and with some compromise on both sides. There are, of course, a number of issues, and I shall be glad to answer questions about any of them.

I think the three issues about which I have been asked the most questions, and in which Senators are most interested, are, first, the Interstate Commerce Commission safety work and field work; second, the housing amendment; and, third, the straightening out of the Los Angeles housing problem. I shall take up the ICC question first.

Mr. President, I send to the desk a resolution, which I ask unanimous consent to offer and to have considered at this time.

The PRESIDING OFFICER. The clerk will state the resolution.

The LEGISLATIVE CLERK. The resolution reads as follows:

Resolved, That it is the sense of the Senate that the safety work lawfully performed by the field organization of the Bureau of Motor Carriers of the Interstate Commerce Commission be continued as presently constituted during fiscal year 1954, pending appropriate reorganization of such activities under the recommendations of the report of the Wolf Management Engineering Co. to the Senate Committee on Interstate and Foreign Commerce of December 22, 1952.

The PRESIDING OFFICER. The question is on agreeing to the resolution.

Mr. SALTONSTALL. Mr. President, the situation with relation to the conference report on the ICC and safety regulations is that the House figure was \$9,400,000. The Senate put in the figure of the revised budget, namely, \$9,600,000. In conference, the House conferees, after some discussion, accepted the Senate figure, which is the figure of the revised budget, and which I believe represents a little more money than was allowed last year.

In the report of the Senate committee accompanying the bill, there was a recommendation that the Wolf report, so-called, be put into effect. The Wolf report was the result of a study by some engineers, who were recommended by the Senate Committee on Interstate and Foreign Commerce a year ago. The Wolf report recommended streamlining the work of the ICC, and includes the work of the so-called regional offices, and the safety work which the ICC is required to do under the law.

In addition to the Wolf report, there was discussion in the House report of

the field work and safety. At the time that question came up in conference, the clerk of the committee, at the suggestion of the chairman of the conferees, read a letter addressed to the chairman suggesting that this language should not be included in the report. There was considerable discussion, the House conferees insisting that they wanted to include the maximum amount in the conference report. As shown by the statement of the managers on the part of the House, the language that was included in the report as the result is as follows:

In lieu of the proposal of the Senate the conferees have agreed to the proposal of the House requiring that the sum of \$1,793,157 requested for work relating to safety and field in the Bureau of Motor Carriers be distributed to other work of the Commission which is regarded as of greater importance than such safety and field work.

That is the language of the statement of the managers on the part of the House. The Senate conferees never saw the language, and, of course, had nothing to do with the statement of the House managers which went to the House.

As the result of that language, Members of the Senate have received a great many telegrams, stating the dangers that will ensue if the safety work of the Commission in the motor-truck-carrier field is abandoned.

As chairman of the subcommittee, I took this matter up at once, and as a result of a talk with the chairman of the House committee, Mr. PHILLIPS, I have a statement in writing from him. I talked with the members of the Interstate Commerce Commission, and I have a letter from them. I talked with the Comptroller General of the United States, and I have a letter from the general counsel of the Comptroller General's office, Mr. Fisher.

As I have said, the total amount of the revised budget is contained in the ICC appropriation. They will have the money to carry on the field and safety work. The only question is whether the language in the report and in the statement of the managers on the part of the House, to the House, makes it impossible for the Commission to go ahead.

Mr. WELKER. Mr. President, will the Senator from Massachusetts yield?

Mr. SALTONSTALL. I prefer not to yield until I have completed my statement.

Mr. MORSE. Mr. President, as a matter of procedure, may we have an understanding with the Senator from Massachusetts, that when he concludes his statement on the ICC item, we may debate it, in order that we may join issue before proceeding to other items in the report.

Mr. SALTONSTALL. That is what I desire to do. Representative PHILLIPS, of California, wrote me a letter. I shall place the full letter in the RECORD, but the pertinent statements are these:

I know I speak for most, if not all, of the members of the House committee when I say we are quite willing to have this worked out by the Commission, under the terms of the Wolf report, and to wait until next year for a further discussion of the results.

He refers to the safety service. Again, he says:

Any statement that it "closes all the field offices" is not supported by any understanding in either the House or the Senate. These field offices perform other functions for the ICC, in connection with the regulation of motor carriers.

The concluding sentence in the letter reads:

My committee also feels that the few employees, engaged in this particular activity, could well be absorbed in other activities of the ICC which the Commissioners contend are not up to date, including the reorganization requirements contained in the Wolf report.

The Interstate Commerce Commission, in a letter signed by J. Monroe Johnson, Chairman, states:

The Wolf report recommends certain changes in the structure of our field organization. It does not recommend the abandonment of any fundamental operations or duties. It presupposes a continuation of safety activities. We now propose, if permitted, to keep this in mind as we undertake our field reorganization pursuant to the principles of this report. We hope to be able to demonstrate substantial progress along these lines at an early date, certainly before we appear in support of our 1955 appropriations.

He discusses the language of the conference report and the statement made by Representative PHILLIPS on the floor of the House, which created doubt in the minds of the Commission as to whether it should proceed with the work.

Mr. President, I now call attention to the fact that the necessary provision and the money are all in the appropriation bill. All of this language is in the statement of the managers on the part of the House. The Comptroller General of the United States, in a letter signed by the General Counsel, E. L. Fisher, says:

The restriction on the use of the appropriation for work relating to the safety and the fieldwork of motor carriers agreed upon in the conference report would not legally preclude the use of the appropriation for that purpose, since there is no specific limitation in the appropriation language itself and especially in view of the statement made on the floor of the House at pages 9583 and 9584 of the CONGRESSIONAL RECORD for July 21, 1953, in connection with the adoption by the House of the conference report to the effect that the limitation agreed upon in conference was a firm recommendation but "which the ICC under the law could disregard."

With respect to expenditures to carry out recommendations of the so-called Wolf report, the appropriation would be available for that purpose to the extent that such recommendations otherwise are authorized.

Mr. President, I ask unanimous consent that the memorandum from Representative PHILLIPS, the letter from Mr. Johnson of the Interstate Commerce Commission, and the letter from Mr. Fisher, be printed at this point in the RECORD.

There being no objection, the matters were ordered to be printed in the RECORD, as follows:

JULY 23, 1953.

MEMORANDUM TO SENATOR SALTONSTALL

You asked me for a statement regarding the position of the House on that part of H. R. 4663 which has to do with the recom-

mendation to the Interstate Commerce Commission.

I know the Senate understands that this recommendation is contained only in the House report and that nothing on this subject appears in the bill. When the conference committee accepted the Senate suggestion to increase the ICC appropriation by almost \$200,000, this gave the agency the revised budget request.

The recommendation to the ICC, concerning this safety service, is not new with the House committee. This will be the second or third time that the House has supported us in this provision, this time without a negative vote in spite of the rash of telegrams and letters.

The House feels that this Agency is in the process of reorganization and improvement, and we agree with the Senate that the adoption of the recommendations of the Wolf report will go a long way toward solving this particular problem, among others. I know I speak for most, if not all, of the members of the House committee when I say we are quite willing to have this worked out by the Commission, under the terms of the Wolf report, and to wait until next year for a further discussion of the results. At the present time, this service, reaches only about 6 percent of the trucks yearly engaged in interstate commerce, and these, as you know, represent only a small fraction of the trucks on the highway. The House committee has been recommending, since this service largely duplicates services performed under State laws, that the money in the ICC budget, could be applied to other functions which the Commissioners consider of greater urgency.

This should indicate to you what the House has been trying to do. The provision, to which objection is made, appears only in the report. Any statement that it closes all the field offices is not supported by any understanding in either the House or the Senate. These field offices perform other functions for the ICC, in connection with the regulation of motor carriers.

In the conference, the House accepted the Senate recommendation of \$200,000 additional, in money, for the ICC, and also adopted the Senate provision that the ICC would improve its efficiency by reviewing the Wolf report and putting its recommendations into effect. In this same agreement between us, the Senate accepted the House suggestion to return, to the House report, the recommendation we are talking about. My committee also feels that the few employees, engaged in this particular activity, could well be absorbed in other activities of the ICC which the Commissioners contend are not up to date, including the reorganization requirements contained in the Wolf report.

JOHN PHILLIPS,
Member of Congress.

INTERSTATE COMMERCE COMMISSION,
Washington, July 24, 1953.
The Honorable LEVERETT SALTONSTALL,
Chairman, Subcommittee on Independent
Offices Bill,
Senate Office Building,
Washington, D. C.

MY DEAR SENATOR SALTONSTALL: Pursuant to your personal request that this Commission communicate to you in writing its evaluation of certain language contained in the conference report on the First Independent Offices Appropriation Act, 1954, relating to the expenditure of fiscal year 1954 appropriations for the Commission and in order that you might give the Senate assurances of our intentions with reference thereto, we forward this letter.

The language to which we refer reads as follows:

"In lieu of the proposal of the Senate the conferees have agreed to the proposal of the

House requiring that the sum of \$1,793,157 requested for work relating to safety and field in the Bureau of Motor Carriers be distributed to other work of the Commission which is regarded as of greater importance than such safety and field work."

As we interpret this language it gives rise to serious uncertainty as to whether any funds appropriated to this Commission in the appropriation bill cited above can or should be expended in support of our safety and other field work performed through our Washington and 76 Bureau of Motor Carrier field offices. This uncertainty was further punctuated by remarks made on the floor of the House of Representatives on July 21, 1953 (recorded in CONGRESSIONAL RECORD, pp. 9583-9584) by the Honorable JOHN PHILLIPS, in the presence of other members of the House Committee on Appropriations, the subcommittee in charge of the bill in question and the House conferees who subscribed to the report. Mr. PHILLIPS stated, inter alia:

"There are 336 employees and the expenditure is \$1,700,000 for something that duplicates work largely done by the States. The feeling of the committee was that, if the Interstate Commerce Commission went into this field, it should go in as sort of a clearinghouse to coordinate and unite the work of the various States which is now being adequately carried out, better than by the ICC. * * *

"It is only a recommendation on our part which I hope the ICC will recognize as a firm recommendation, but which the ICC under the law could disregard, because our primary recommendation is that this \$1,700,000, which last year we took out altogether is to be applied to those functions of the ICC's activities which the Commissioners think are the most urgent."

He also said:

"That is correct, but I want to make it clear it is a very firm recommendation in the report. I think the Commissioners would have to come to us and explain next year how they spent the money."

Without belaboring the effect of this cumulative legislative history, allow us simply to state that any such forced action on our part would completely stultify the administration and enforcement of title II of the Interstate Commerce Act (the Motor Carrier Act of 1935) and would cast serious doubt on our ability to effectively regulate other carriers under other provisions of the act who are highly competitive with motor carriers. We cannot believe that this result was intended to be accomplished but actions and words both in this instance speak loudly, and, giving the language in question its most liberal construction from our point of view, we seem to be faced with the minimum possibility that, if we do not fully comply with the language as interpreted by Mr. PHILLIPS this Commission can reasonably expect to suffer further curtailments in its appropriations. This is not a pleasant prospect in view of the serious financial plight in which we even now find ourselves with reference to our increasing caseload and steadily diminishing work force.

During our conversations with you relating to this matter yesterday, you handed us two documents for our consideration—a letter from the General Counsel of the Office of the Comptroller General addressed to Mr. Earl Cooper, clerk of the Senate Committee on Appropriations, and a personal memorandum of July 23 to you signed by the Honorable JOHN PHILLIPS, Member of Congress.

The first of these documents, in short, informally concludes that "the restriction on the use of the appropriation for work relating to the safety and field work of motor carriers agreed upon in the conference report would not legally preclude the use of the appropriation for that purpose since there is no specific limitation in the appro-

priation language itself and especially in view of the statement made on the floor of the House at pages 9583 and 9584 of the CONGRESSIONAL RECORD for July 21, 1953, in connection with the adoption by the House of the conference report to the effect that the limitation agreed upon in conference was a firm recommendation but "which the ICC under the law could disregard."

Assuming that the Comptroller General would take this position formally, it would appear that legal justification exists for our maintaining the status quo of our field organization and the full duties performed by it. The legal situation, however, is not the only important thing in this regard. We are confronted also by and must consider the practical situation created by the action of the conferees above referred to expressed in definite language and terms.

Our difficulty is not in the least resolved even by this quotation from Mr. PHILLIPS' memorandum to you in which he says:

"The provision, to which objection is made, appears only in the report. Any statement that it 'closes all the field offices' is not supported by any understanding in either the House or the Senate. These field offices perform other functions for the ICC, in connection with the regulation of motor carriers."

For your information on -----, this Commission entered a formal minute on its records to the effect that it endorses the Wolf report in principle and since that date we have been striving assiduously to implement it by appointing a managing director and formulating plans to move progressively in the direction recommended by that report. Because the report will require not only some streamlining of our forces but also some significant additions thereto we even sought a supplementary appropriation some time ago to get the reorganization under way. We failed in this attempt.

But, we now note with pleasure that the Congress authorizes the use of our 1954 appropriation for this purpose, and we are gratified that the funds added by the conferees are also designed to further these plans.

The Wolf report recommends certain changes in the structure of our field organization. It does not recommend the abandonment of any fundamental operations or duties. It presupposes a continuation of safety activities. We now propose, if permitted, to keep this in mind as we undertake our field reorganization pursuant to the principles of this report. We hope to be able to demonstrate substantial progress along these lines at an early date, certainly before we appear in support of our 1955 appropriations.

The Commission is thus faced with a positive declaration in a House conferees' report to which the Senate conferees agree that, if not neutralized or changed by the Senate or jointly with the House, will seriously interfere with the administration of part II of the act.

I want you to know that the Commission has expressed itself in conference as deeply appreciative of your interest evidenced in this matter.

The Commission has considered and adopted the above letter in toto.

Cordially yours,

J. MONROE JOHNSON,
Chairman.

COMPTROLLER GENERAL OF THE
UNITED STATES,
Washington, July 23, 1953.

Mr. EARL COOPER,
Committee on Appropriations,
United States Senate.

DEAR MR. COOPER: This is in reference to your informal inquiry concerning the use of funds provided the Interstate Commerce

Commission in the pending First Independent Offices Appropriation Act, 1954.

The restriction on the use of the appropriation for work relating to the safety and field work of motor carriers agreed upon in the conference report would not legally preclude the use of the appropriation for that purpose since there is no specific limitation in the appropriation language itself, and especially in view of the statement made on the floor of the House at pages 9583 and 9584 of the CONGRESSIONAL RECORD for July 21, 1953, in connection with the adoption by the House of the conference report to the effect that the limitation agreed upon in conference with a firm recommendation but which the ICC under the law could disregard.

With respect to expenditures to carry out recommendations of the so-called Wolf report, the appropriation would be available for that purpose to the extent that such recommendations otherwise are authorized.

Sincerely yours,

E. L. FISHER,
General Counsel.

Mr. MORSE. Mr. President, will the Senator from Massachusetts yield?

Mr. SALTONSTALL. I yield, first, to the Senator from Idaho [Mr. WELKER].

Mr. WELKER. I should like to ask the Senator from Massachusetts whether or not, under the explanation just given, it is a fact that field offices will be closed. I heard information given by some experts that nothing would legally preclude the Commission from using the money to keep the field offices open. It seems to me that if that is not a fact there is nothing to prevent closing the field offices.

Mr. SALTONSTALL. There are 76 field offices in the United States. So far as I know, they are located where it is most satisfactory to locate them from the standpoint of the work to be done. One office may close and another one remain open. Under the law the Commission can have whatever number of offices it needs. There is more money appropriated by this bill than they had last year. So far as I know, under the law, it is for the Interstate Commerce Commission to determine where these offices shall be located.

Mr. WELKER. If the Senator will further yield, I make the observation that to me the situation is very strange. It seems to me that anything could happen by virtue of a report such as this.

Mr. SALTONSTALL. The Interstate Commerce Commission is required, under the law, to do safety work. It must have offices. The offices in Idaho are located in Boise and Pocatello.

Mr. MORSE. Mr. President, will the Senator from Massachusetts yield?

Mr. SALTONSTALL. I yield.

Mr. MORSE. Mr. President, I hope the Senator will be kind enough and the Senate will be kind enough to permit me to make my argument in reply to the argument of the Senator from Massachusetts, even though it is not in the form of a question-and-answer colloquy with the Senator from Massachusetts. And I shall be exceptionally brief—for me.

Mr. SALTONSTALL. Mr. President, I ask unanimous consent that I shall not lose the floor while the Senator from Oregon makes his argument.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Chair will state that the question is on agreeing to the consideration of the resolution of the Senator from Massachusetts [Mr. SALTONSTALL].

Mr. DIRKSEN. Mr. President, reserving the right to object, what is the validity of the House conferees' language either with respect to the action of the Interstate Commerce Commission or to the legality of the expenditure? It is extremely unusual, certainly, within my experience, that the Senate conferees should not know what the language was that was suggested by the House conferees. If it constitutes an interdiction upon the appropriation, or it means that the Interstate Commerce Commission must close some of its field safety offices, I think the Senate should be fully advised as to the effect of the House language.

That invites a parliamentary inquiry, Mr. President, and I think there should be a ruling from the Chair as to the effect of language appearing in a conference report which represents the intention, purpose, and will of one branch of the National Legislature, but does not come within the purview of the Senate conferees.

Mr. MORSE. Mr. President, on that parliamentary inquiry I should like to be heard, if I may, because it goes to the very essence of the argument which I am asking permission to make, very briefly.

Mr. SALTONSTALL. Mr. President, the last thing in the world that I, as chairman of a conference, want to do is to break faith with the House. This afternoon, after I determined to offer the resolution, I called up the chairman of the House committee, Representative PHILLIPS, of California, and told him what I was going to do in order to supplement the language he gave me in his memorandum of yesterday, and he said to go ahead and offer the resolution; that it was perfectly agreeable to him.

Mr. MORSE. Mr. President, with the understanding that the Senator from Massachusetts will not lose the floor because of the comments I wish to make, I should like to ask the careful attention of all Members of the Senate, and I should like to have the valued judgment of some Members of the Senate, because it is my opinion that if we accept the recommendation of the Senator from Massachusetts, we are adopting an exceedingly unfortunate and dangerous precedent, and it is no answer to say that this is only a conference report. It is a document in line with the historic practices of the Congress of the United States. Under the rules of the House, the managers of a conference committee have to file a statement at the time they ask for action on a conference report. I know of no document or piece of evidence in connection with the judicial interpretation of legislative intent that will be given more careful consideration or greater weight by a court when it comes to pass upon legal questions that may arise in adjudication in respect to a statute or an act of Congress than intent expressed in a conference report. Note

what the conferees told the House was the intent of the conferees—not the House conferees alone, but the Senate conferees as well—and this has been acted upon by the House.

I may say, most respectfully, that there is not a thing Mr. PHILLIPS, of California, can do or say now that changes one iota the intent of the House of Representatives with reference to this conference report. It has been adopted by the House on the basis of an expression of intent contained in the report.

What does the language say? The language says:

In lieu of the proposal of the Senate—

There is the compromise in conference; there is the thing on which the conference compromised—

In lieu of the proposal of the Senate the conferees have agreed—

Not the House conferees, but the joint conferees—the conferees of the House and the conferees of the Senate—

the conferees have agreed to the proposal of the House requiring that the sum of \$1,793,-157 requested for work relating to safety and field in the Bureau of Motor Carriers be distributed to other work of the Commission which is regarded as of greater importance than such safety and field work.

That was the agreement of the conferees. It does not save the situation in any way for the Senate conferees to come before the Senate now and say, "We did not realize that was what we were agreeing to."

The report in the House was adopted on the basis of the presentation to the House that the safety offices would have their money distributed by the Interstate Commerce Commission to other agencies of the Commission. The conferees have authorized the use of \$251,-650, instead of the other amount, for expenses of traveling.

I speak as a friend of the Senator from Massachusetts [Mr. SALTONSTALL], and I speak respectfully to him, but I speak out of a deep conviction that the Senate should not in dealing with a conference report take the kind of action suggested, because we would not be keeping faith with the House of Representatives.

If Senators were Members of the House, how would they like to have a report adopted when they believed an agreement had been reached that safety work in the field offices would be closed down, but when the report reached the Senate, the Senate said that was not what had been agreed to at all?

Mr. PHILLIPS says he entered into an understanding with the Senator from Massachusetts [Mr. SALTONSTALL]. I am not personal about this. I simply say that Mr. PHILLIPS does not have the legal authority, after the conference report has been adopted by the House, to modify the language in any way by any understanding he may have entered into with the Senator from Massachusetts or with the ICC or with the Comptroller General.

Mr. SALTONSTALL. Mr. President, will the Senator from Oregon permit me to make an insertion in the RECORD that will perhaps help at this point?

Mr. MORSE. Yes.

Mr. SALTONSTALL. In the CONGRESSIONAL RECORD of Tuesday, July 21, 1953, page 9584, Mr. PHILLIPS made an explanation to the House. I shall quote from the colloquy:

Mr. PHILLIPS. It is only a recommendation on our part which I hope the ICC will recognize as a firm recommendation, but which the ICC under the law could disregard, because our primary recommendation is that this \$1,700,000, which last year we took out altogether is to be applied to those functions of the ICC's activities which the commissioners think are the most urgent.

I am quite sure, Mr. Speaker, that the House will overlook the letters and telegrams, most of them sent by people who had no idea what the discussion was about, and will again, for the third time, support the House in an effort to improve the efficiency and the effectiveness of one agency of the Government.

Mr. COOLEY. Mr. Speaker, will the gentleman yield?

Mr. PHILLIPS. I yield to the gentleman from North Carolina.

Mr. COOLEY. I think the gentleman has pretty well cleared up the point I had in mind but I do want to ask the question specifically: The funds these telegrams have reference to are still in the bill, as I understand it?

Mr. PHILLIPS. Yes; the gentleman is correct.

Mr. COOLEY. In the conference report the conferees make certain recommendations which, of course, will not be binding but will be only advisory to the Commission?

Mr. PHILLIPS. That is correct.

Mr. COOLEY. It is up to the Commission to determine whether or not the services are actually duplicating?

Mr. PHILLIPS. That is correct, but I want to make it clear it is a very firm recommendation in the report. I think the Commissioners would have to come to us and explain next year how they spent the money.

Mr. COOLEY. I think that clears up the situation I have in mind.

That was the statement of Mr. PHILLIPS, chairman of the committee in charge of the report on the floor of the House, in answer to a query relating to the telegrams.

Mr. MORSE. I wish to say two things about the statement of Mr. PHILLIPS on the floor of the House. It does not change in legal effect, to the slightest degree, the conference report on which the House acted, or any of the language therein. Second, the language he used, as I shall point out in a moment, was so equivocal that it caused the Chairman of the Interstate Commerce Commission to make the statement I submitted on the floor of the Senate the other day. I do not quote verbatim, but in substance, the Chairman said that on the basis of the language of Mr. PHILLIPS on the floor of the House after the heat had been put on Mr. PHILLIPS by telegrams from all over the country, including his own State, as to the unwisdom of the action he had taken, there was nothing else the Commission could do but to close the offices.

He referred to the statement of Mr. PHILLIPS that the Interstate Commerce Commission would have to explain next year the use to which the funds were put:

Mr. PHILLIPS. That is correct, but I want to make it clear it is a very firm recommendation in the report. I think the Commissioners would have to come to us and explain next year how they spent the money.

So by that language he even negatives the intent he sought to express in the early part of his statement. It was so interpreted by the Interstate Commerce Commission, and I think rightly so.

The action of the House was on the basis of the representation that the agreement with the Senate conferees was that the money heretofore spent for safety regulation should be distributed to other agencies of the Interstate Commerce Commission, and not used for safety regulations. That cannot be wiped out by any agreement entered into between the Senator from Massachusetts [Mr. SALTONSTALL] and Mr. PHILLIPS, or between Mr. PHILLIPS and the Senator from Massachusetts, on the one hand, and the Interstate Commerce Commission, or the Comptroller General of the United States, on the other.

It seems to me we are here dealing with the question in connection with the adoption of conference reports, whether when Senate conferees enter into an agreement with their fellow conferees on the House side, we in the Senate will keep the agreement.

I shall put in this bluntly: The Senate conferees either agreed to what the House conferees reported to the House they agreed to, or they did not. If they did not agree to it, then, from the standpoint of protecting all parties in connection with any litigation that may flow from this action—and we do not know what questions may be raised—the Senate conferees should go back to the House conferees and say, "What is the matter with you? We never agreed to anything like that at all." But if they did agree to it, then they cannot change it, in my judgment, on the principles of sound, ethical dealing with the House, by coming before the Senate with a resolution saying, "This is out intent," or by placing in the RECORD a letter from the Comptroller General in which he says, "Because these moneys have been appropriated, I, the Comptroller General, say the Interstate Commerce Commission must spend them for these purposes." He does not happen to be a court. His opinion would only be an advisory opinion. That would not be good enough for me.

Neither could the chairman of the Senate conferees and the chairman of the House conferees go to the Interstate Commerce Commission and say, "Irrespective of what is found in the language of the House conference report, we want to work out an understanding with you whereby you will go right ahead and spend the money as you have in the past, in spite of what the conference report says."

Let us see what has happened. I speak very respectfully of Mr. PHILLIPS, of California, as I said the other day. He happens to be a personal friend of mine. I know him very well. I have worked with him on a great many matters involving the west coast. But for some years Mr. PHILLIPS has been a leading advocate of closing down the safety work of the Interstate Commerce Commission. For years he has been a leader in the effort to bring to an end interstate regulation of common carriers traveling

on the highways of the United States and of safety appliances used by them.

His purpose in getting this item into the conference report, and into the agreement he says in the report has been reached with the Senate conferees, was to carry out his long-established desire to bring to an end the safety work. The conferees placed the provision in the report, and the House adopted it. The language Mr. PHILLIPS uses makes clear that the Interstate Commerce Commission, on the basis of what he said was the firm recommendation of the conference report, would have to make a clear showing next year as to how they spent the money. The Interstate Commerce Commission is left in a very perplexed and confused situation with regard to what they can or cannot do with the money.

Mr. WELKER. Mr. President, will the Senator yield?

Mr. MORSE. I do not have the floor; the Senator from Massachusetts [Mr. SALTONSTALL] has the floor. I wish to complete my thought; then I suggest that the Senator from Idaho ask the Senator from Massachusetts for permission to ask me a question. I have almost finished my argument.

Mr. President, I wish to return to the point I was making before the Senator from Massachusetts asked permission to place the statement of Mr. PHILLIPS in the RECORD. I say the Senate is concerned with what ought to be considered really as good faith in dealing with the Members of the House. I think that when the House adopts a conference report on an appropriation bill, and the report says, "This is the intent and the agreement of the conferees," it cannot be answered by saying that the report made by the House conferees to the House is not a report binding upon the Senate.

I say—and I mean nothing derogatory by this—as the Senator from Georgia [Mr. GEORGE] said on another point of equal importance the other day, that is personal government. That is government by personal arrangement among representatives of the two branches of the Congress. I say that we must clear up this situation so that no Member of the House can say to us when he meets us, "What is the matter with you fellows over there? We adopted a conference report thinking that we were voting to end the safety work of the Interstate Commerce Commission, and you come along and say that is not what we agreed to at all."

At least a misunderstanding exists, and the way to clear up the misunderstanding is to send the bill back in conference. It ought to be sent back to conference. If it is not, I think we shall be establishing an unfortunate precedent when it comes to good-faith dealing with the House of Representatives. I say most respectfully that neither the Senator from Massachusetts [Mr. SALTONSTALL] nor Mr. PHILLIPS has the jurisdiction or the right, in my opinion, to clear up what has developed as a misunderstanding between the House conferees and the Senate conferees. That can be done only in one place, and that

is in the conference room. Then the agreement should be submitted to the House and the Senate, so that we shall be of one mind. It is a dangerous precedent to start adopting conference reports in the Senate when we know, on the record, that the agreement is different from the agreement set out in the conference report at the time the House acted.

If we ever get to the point where, because of the pressure of time, or because sending a conference report back may raise some other issues in conference—such as the housing issue—we fail to clear up misunderstandings, we shall be creating a dangerous precedent.

We know what has been said to some of us in the cloakrooms. WAYNE, we must stop this bill from going back to conference, because if we do not, the whole housing issue will be opened up again." I am not going to be stopped in trying to clear up what I think is a lack of agreement between the House and Senate conferees on the basis of the conference report, because of the fact that sending it back to conference may raise some other issues. Let them be raised. Let them be fought out on their merits. If we lose, very well. I am not going to leave the question of the safety of the American people on the highways subject to possible confusion and legal action because of this clear language in the House report; and I am not going to accept a personal arrangement between Mr. PHILLIPS and the Senator from Massachusetts, or their arrangement, in turn, with the Comptroller General and the Interstate Commerce Commission, as a substitute for the long-established practice of the Senate.

Let any veteran of the Senate rise and tell me that this is not the practice. I have checked it. I understand that it has always been the way we have dealt with the House. When a conference report is submitted, and the report sets forth that it is an agreement between the Senate and the House conferees, we do not proceed, in the Senate, to accept the appropriation bill on which the report is made on the basis of some other understanding or some other intent which we reserve to ourselves.

The place to iron out any differences of opinion happens to be in conference. If we do not do that, we destroy the effect of a conference. If, for instance, the purpose of a conference is to agree on figures, and when the conference report is submitted we in the Senate can agree upon one way of spending the sums provided, and the House can agree on an entirely different way of spending them, then who is to administer that kind of appropriation bill?

I close by saying respectfully that I am urging that we continue the kind of relationship which has always characterized the dealings between the Senate and the House—a procedure based upon precedent, and not a procedure of substituting personal arrangements between the heads of two conference committees and other departments of government for what a report actually says, on the basis of which the House took action.

Mr. SALTONSTALL. Mr. President—

Mr. JOHNSON of Colorado and Mr. HAYDEN addressed the Chair.

Mr. SALTONSTALL. I should like to make a statement in reply to the Senator from Oregon, and then I shall be glad to yield for questions.

I would very much prefer, as chairman of the Senate conferees, if there is any feeling that this report is not on the level, or that we are not acting in accordance with proper ideas of fair play, to take the bill back to conference. I certainly am not going to break my word in the United States Senate. I have lived for quite a while, and I mean to keep my word.

Two years ago the appropriation for safety work was removed by the House. It was restored by the Senate. Last year the same procedure was followed, and the recommendation was made that the Commission give consideration to the Wolf report.

This year the House took the money out, and the Senate insisted on the money going back. The Senate said it believed that the Wolf report should be put into effect as soon as possible, and that the work of the Commission under the law, together with the putting into effect of the Wolf report, was worth \$200,000 more money, which the Senate insisted on restoring. So the Wolf report language was included in the House report, and the money was included. At the same time the House insisted, after some discussion, that it felt that the safety work was being duplicated, and was not important work for the Commission to do. The Senate agreed that the language giving priority to other work of the Commission could and should go into the report.

I should like to quote again what Mr. PHILLIPS said with regard to his understanding. I quote one sentence:

Our primary recommendation is that this \$1,700,000, which last year we took out altogether, is to be applied to those functions of the ICC's activities which the Commissioners think are the most urgent.

Again he says that this language is only advisory to the Commission, and not binding.

As I say, the money to do the work is in the bill. The language, as I interpret it, is the language as I understood it at the time of the conference. Mr. PHILLIPS and 1 or 2 other Members of the House felt very strongly that this safety work was being duplicated and was not the primary work of the Commission. There was never any discussion of the field offices being given up. The field offices are used for 12 or 14 different purposes, of which safety and field work are only 2.

The total number of employees in the field offices is 336, of which the safety offices comprise 18. So the field offices are used for a great many purposes. The question of giving up the field offices, as I say, never entered into the discussion of the conferees. As Mr. PHILLIPS said in his memorandum, the idea that the field offices would be given up was absurd, as it was never under discussion.

That is the situation. If the Senate feels that this bill should go back to conference, I certainly will be glad to take it back. The problem in connection with this item is this: We put back into the bill \$200,000, so that the Interstate Commerce Commission could do its work and could put the Wolf report into operation. There will be a very considerable discussion, obviously, as to the feeling of the House, which has taken this money out the past 3 years. We have had difficulty in getting it back each year.

That is the situation with relation to the Interstate Commerce Commission.

Mr. JOHNSON of Colorado. Mr. President, will the Senator yield?

Mr. SALTONSTALL. I yield.

Mr. JOHNSON of Colorado. The Senator from Massachusetts submitted a Senate resolution with reference to this matter, did he not?

Mr. SALTONSTALL. I did. That suggestion was made to me late this afternoon. I was working on several memoranda. Then the suggestion as to the Senate resolution was made to me, as embodying everything which was said in the letters, and I thought it was a good idea.

I told Mr. PHILLIPS I was going to offer the resolution.

Mr. JOHNSON of Colorado. Mr. President, will the Senator yield?

Mr. SALTONSTALL. I yield.

Mr. JOHNSON of Colorado. Suppose instead of a Senate resolution the Senate were to adopt a concurrent resolution? The concurrent resolution would then go to the House. If it were adopted by the House, the result would cure everything, would it not? In other words, it would take care of the suggestion the Senator from Oregon made about keeping faith with the House. If a concurrent resolution were adopted by both the Senate and the House, and the report were held up until both Houses acted on it, then, of course, we would be keeping good faith.

Mr. SALTONSTALL. I believe time would be saved by sending the conference report back to conference and by having the conferees decide the question. Mr. President, I am going to make the motion that the report be recommitted to the conference committee.

I will make that motion myself, if there is any question or any misunderstanding. If the Senate wishes to adopt the conference report, I will be glad to have it adopted. However, I do not want to have any question of good faith or fair play raised in connection with anything I do in this body. Mr. President, I make that motion.

Mr. LEHMAN, Mr. KEFAUVER, and Mr. MORSE addressed the Chair.

Mr. SALTONSTALL. I make the motion that the report be recommitted to the conference committee.

Mr. LEHMAN. Mr. President, I wish to make it very clear that I am convinced that no one in this body has the slightest doubt of the complete integrity of the distinguished Senator from Massachusetts. He and I have been associates in public service for a great many years, and I know the great re-

spect in which the Senator from Massachusetts is held.

I fully agree with the Senator from Oregon with regard to the matter which he has discussed, and I believe and hope that the conference report will be sent back to conference for further consideration. I would certainly not want to have the further conference confined exclusively to the question of this one feature of the report, because I believe the conference report has other serious defects, notably on the question of public housing, on which some of my associates and I will want to be heard a little later this evening. So if the report is sent back to conference for further study, I certainly would want to have it made perfectly clear that the question of housing, and possibly other questions also, should be considered at the same time as the provision under discussion.

Mr. MORSE. Mr. President, will the Senator from Massachusetts yield for a personal observation?

Mr. SALTONSTALL. I yield.

Mr. MORSE. I wish to make it crystal clear for the RECORD that not a single syllable of a word, let alone a word, of what I said on the subject is intended to reflect in any way on the Senator from Massachusetts. I have the highest regard for the Senator from Massachusetts. I will say no more than that he knows how high my regard for him is on the basis of certain unofficial action I took without his prior approval at the Republican convention last July. I could not demonstrate my faith in him any more than I demonstrated on the floor of the Republican Convention. I say to him I believe the motion he has made is exactly the motion that should be adopted by the the Senate. Our expression of faith in him is not going to change the fact that he will be subjected to more criticism if the appropriation bill is passed without going back to conference, because misunderstanding now exists as to whether or not the Senator from Massachusetts and the Representative from California are not proceeding to do by personal action what the two Houses ought to do for themselves and not have done by their conference representatives after the House has acted on the clear and unequivocal language.

Mr. SALTONSTALL. I thank the Senator very much.

Mr. KEFAUVER. Mr. President, will the Senator yield?

Mr. SALTONSTALL. I yield to the Senator from Tennessee.

Mr. KEFAUVER. Mr. President, I realize the Senator from Massachusetts has handled a very difficult appropriation bill in the best way he could handle it, and no one has any doubt about the high integrity of the Senator from Massachusetts.

It seems to me on this very important issue of safety in field offices of the ICC it would be helpful to the Senator to have the entire Senate act on the question. It is quite apparent from the language of Mr. PHILLIPS, when he was explaining the bill before the House,

that if we expect to have any funds for the safety functions of the ICC the report will have to go back to conference, and the Senate will again have to insist on funds being provided for that purpose, because at page 9584 of the RECORD on Tuesday, July 21, which has been read by the distinguished Senator from Massachusetts, Mr. PHILLIPS said:

I think the Commission would have to come to us to explain next year how they spent the money.

In other words, he is putting the ICC on notice that if they do not follow his purpose of not spending any money for safety in field offices they will have a rough time when they come to the Committee on Appropriations.

I have talked today with several officials of the ICC—I do not wish to give their names—who told me how they feel about it. They feel, in view of that language, and the fact that they would have to come to the Committee on Appropriations of the House first, they would be foolish if they did not follow the instructions of the House.

So it seems to me, if we are to have any money provided for this very necessary purpose, the question should be ironed out in conference. We have heard a great many complaints from time to time about executive departments not following the directions of Congress. Indeed, quite frequently, they have deviated from the intention of the legislative body. If we are to have them follow explicitly the direction of Congress, it seems to me the intention of Congress and the direction of Congress ought to be made amply clear. Certainly the Commission should not be left in the unfortunate dilemma of the House meaning one thing and the Senate meaning another.

In order to get a clear direction to the ICC, I hope the House will agree to strike out the limiting language. It is a matter of tremendous importance. I know Senators have received many telegrams. I have received a number from public officials and other interested citizens in my State. I ask unanimous consent that some selected telegrams be included in the RECORD at this point as a part of my remarks.

There being no objection, the telegrams were ordered to be printed in the RECORD, as follows:

NASHVILLE, TENN., July 23, 1953.
Senator ESTES KEFAUVER,
Senate Office Building:

Refer conference report on H. R. 4663. Urge your influence in getting appropriation of funds restored for operation of ICC safety and field departments.

FRANK G. CLEMENT.

MEMPHIS, TENN., July 22, 1953.
Senator KEFAUVER,
Washington, D. C.:

I respectfully request that you exert every effort toward the continuation of the district offices of the Interstate Commerce Commission. These offices are necessary for the safety and stability of the motor carriers, shippers, and general public.

SHELBY SPRINGER.

MEMPHIS, TENN., July 22, 1953.
 Senator ESTES KEFAUVER,
Senate Office Building,
Washington, D. C.:

Urge that you vote to eliminate provision of bill H. R. 4663 forbidding ICC to continue safety and field work and closing of field offices.

ROBINSON TRUCK LINES.

MEMPHIS, TENN., July 22, 1953.
 Hon. ESTES KEFAUVER,
Washington, D. C.:

Three hundred members of our organization request that you vote to remove restrictions from independent or district offices of Interstate Commerce Commission which prohibit them from conducting field and safety activities. This is vital not only as to the safety and stability of motor carriers and allied industries but elimination of this activity will result in wholesale murder on the highway by truckers not interested in safety. We assure you of our cooperation in making them safer. Your support expected and appreciated.

ASSOCIATED TRANSPORTATION
 OF MEMPHIS,
 R. HALE MOSLEY, Vice President.

MEMPHIS, TENN., July 22, 1953.
 Hon. ESTES KEFAUVER,
Senate Office Building,
Washington, D. C.:

In view of the very important and necessary function of the district and field offices of the Interstate Commerce Commission I wish to strongly urge that you oppose the section of the independent office appropriations bill which eliminates the necessary revenue for these offices to operate, which I consider very detrimental to the relations of motor carriers and the general public.

FRED H. GILL.

MEMPHIS, TENN., July 22, 1953.
 Hon. ESTES KEFAUVER,
Senate Office Building,
Washington, D. C.:

In view of the very important and necessary function of the district and field offices of the Interstate Commerce Commission I wish to strongly urge that you oppose the section of the independent office appropriations bill which eliminates the necessary revenue for these offices to operate, which I consider very detrimental to the relations of motor carriers and the general public.

RAYMOND F. JONES.

MEMPHIS, TENN., July 22, 1953.
 Hon. ESTES KEFAUVER,
Senate Office Building,
Washington, D. C.:

In view of the very important and necessary function of the district and field offices of the Interstate Commerce Commission I wish to strongly urge that you oppose the section of the independent office appropriations bill which eliminates the necessary revenue for these offices to operate, which I consider very detrimental to the relations of motor carriers and the general public.

S. C. HENDERSON.

MEMPHIS, TENN., July 22, 1953.
 Hon. ESTES KEFAUVER,
Senate Office Building,
Washington, D. C.:

In view of the very important and necessary function of the district and field offices of the Interstate Commerce Commission I wish to strongly urge that you oppose the section of the independent office appropriations bill which eliminates the necessary revenue for these offices to operate, which I consider very detrimental to the relations of the motor carriers and the general public.

J. E. FRUITT.

MEMPHIS, TENN., July 22, 1953.
 Hon. ESTES KEFAUVER,
Washington, D. C.:

For the public good the undersigned urges that you oppose the section of the independent office appropriations bill which deprives the Interstate Commerce Commission of revenue to operate its district and field offices, which offices are for the protection of the public.

FRANKLIN HENDRIX.

MEMPHIS, TENN., July 22, 1953.
 Hon. ESTES KEFAUVER,
Senate Office Building,
Washington, D. C.:

Understand that House yesterday passed independent offices appropriation bill in which elimination is recommended of safety work and field offices in Bureau of Motor Carriers, Interstate Commerce Commission. It appears that this recommendation would virtually eliminate regulation of motor carriers and would be extremely disastrous and harmful. Would appreciate your looking into this matter and elimination of recommendation if consistent with your thoughts.

CEYLON B. FRAZER.

MEMPHIS, TENN., July 22, 1953.
 Hon. ESTES KEFAUVER,
Senate Office Building,
Washington, D. C.:

Re H. R. 4663. Understand this bill before Senate tomorrow. Senate should adopt Senate's report instead of conference report. Enforcement safety motor carrier regulations by field men necessary to interstate transportation. Appreciate your doing what you can.

A. LONGSTREET HEISKELL.

MEMPHIS, TENN., July 22, 1953.
 Hon. ESTES KEFAUVER,
Washington, D. C.:

For the public good and undersigned urges that you oppose the section of the independent office appropriations bill which deprives the Interstate Commerce Commission of revenue to operate its district and field offices which offices are for the protection of the public.

JOAN KNOLTON.

MEMPHIS, TENN., July 22, 1953.
 Hon. ESTES KEFAUVER,
Washington, D. C.:

For the public good the undersigned urges that you oppose the section of the independent offices appropriations bill which deprives the Interstate Commerce Commission of revenue to operate its district and field offices, which offices are for the protection of the public.

DOROTHY SAJONCE.

MEMPHIS, TENN., July 22, 1953.
 Senator ESTES KEFAUVER,
Senate Office Building,
Washington, D. C.:

We want to urge that you vote to eliminate the provisions of independent offices appropriations bill prohibiting ICC from continuing field and safety work. If bill passes in present form motor carriers will be seriously hurt, also the public, as to safety.

DEAN TRUCK LINES.

MEMPHIS, TENN., July 22, 1953.
 Hon. ESTES KEFAUVER,
Senate Office Building,
Washington, D. C.:

In view of the very important and necessary function of the district and field offices of the Interstate Commerce Commission I wish to strongly urge that you oppose the section of the independent offices appropriations bill which eliminates the necessary revenue for these offices to operate, which

I consider very detrimental to the relations of motor carriers and the general public.

JOHN L. TILLEY.

MEMPHIS, TENN., July 22, 1953.
 Hon. ESTES KEFAUVER,
Washington, D. C.:

For the public good the undersigned urges that you oppose the section of the independent offices appropriations bill which deprives the Interstate Commerce Commission of revenue to operate its district and field offices, which offices are for the protection of the public.

PAULINE SOUTHERLAND.

MEMPHIS, TENN., July 22, 1953.
 Hon. ESTES KEFAUVER,
Senate Office Building,
Washington, D. C.:

In view of the very important and necessary function of the district and field offices of the Interstate Commerce Commission, I wish to strongly urge that you oppose the section of the Independent Offices Appropriations bill which eliminates the necessary revenue from these offices to operate, which I consider very detrimental to the relations of motor carriers and the general public.

R. A. HANCOCK.

MEMPHIS, TENN., July 22, 1953.
 Hon. ESTES KEFAUVER,
Senate Office Building,
Washington, D. C.:

In view of the very important and necessary functions of the district and field offices of the Interstate Commerce Commission, I wish to strongly urge that you oppose the section of the Independent Offices Appropriations bill which eliminates the necessary revenue for these offices to operate, which I consider very detrimental to the relations of motor carriers and the general public.

W. B. ANDREWS.

MEMPHIS, TENN., July 22, 1953.
 Hon. ESTES KEFAUVER,
Senate Office Building,
Washington, D. C.:

For the public good the undersigned urges that you oppose the section of the Independent Offices Appropriations bill which deprives the Interstate Commerce Commission of revenue to operate its district and field offices, which offices are of the protection of the public.

J. W. HANNINGS.

MEMPHIS, TENN., July 22, 1953.
 Senator ESTES KEFAUVER,
Washington, D. C.:

Urge that you vote to eliminate provision of H. R. 4663, Independent Offices Appropriation bill forbidding ICC to continue safety and field work for motor carriers.

MEADORS MOTOR LINES.

MEMPHIS, TENN., July 22, 1953.
 Hon. ESTES KEFAUVER,
Senate Office Building,
Washington, D. C.:

In view of the very important and necessary function of the district and field offices of the Interstate Commerce Commission I wish to strongly urge that you oppose the section of the independent offices appropriation bill which eliminates the necessary revenue for these offices to operate, which I consider very detrimental to the relations of the motor carriers and the general public.

R. W. PEACOCK.

OAK RIDGE, TENN., July 22, 1953.
 Hon. ESTES KEFAUVER,
Senate Office Building,
Washington, D. C.:

The League of Women Voters of Tennessee is distressed to learn of the House Appro-

priation Committee's proposed cut of 20 percent in funds for mutual-security program. We feel this would imperil the United States technical assistance program to underdeveloped countries. We believe it particularly unwise to cut by 60 percent the United States contribution to U. N. technical assistance program. Now just when the U. S. S. R. and Poland are recognizing the worth of such a program and proposing to support it. We urge you to use your influence to restore these cuts in mutual security program funds.

Mrs. HARRY BAINBRIDGE,
President.

MEMPHIS, TENN., July 22, 1953.

Hon. ESTES KEFAUVER,
Washington, D. C.:

For the public good the undersigned urges that you oppose the section of the independent offices appropriation bill which deprives the Interstate Commerce Commission of revenue to operate its district and field offices, which offices are for the protection of the public.

IRIS GREENE.

MEMPHIS, TENN., July 22, 1953.

Hon. ESTES KEFAUVER,
United States Senate,
Washington, D. C.:

Will appreciate your vote to retain district offices of Bureau of Motor Carriers of the Interstate Commerce Commission. Should these offices be closed the shipping public and legitimate motor carriers would have no one to assist in policing the handling of interstate shipments by truck operators not having ICC authority. Also, these offices assist tremendously toward control of safety regulations on public highways.

ROADWAY EXPRESS, INC.,
W. H. CRUTCHFIELD,
General Freight Agent.

MEMPHIS, TENN., July 22, 1953.

Hon. ESTES KEFAUVER,
Washington, D. C.:

The undersigned urges that you oppose the section of the Independent Office appropriation bill which deprives the Interstate Commerce Commission of revenue to operate its district and field offices, which offices are for the protection of the public.

Mrs. JEAN MARTIN.

MEMPHIS, TENN., July 22, 1953.

Hon. ESTES KEFAUVER,
Washington, D. C.:

We want to urge that you vote to eliminate provision of Independent Offices appropriation bill prohibiting ICC from continuing field and safety work. If bill passes in present form motor carriers will be seriously hurt, also the public as to safety.

LAWSON FREIGHT LINES.

MEMPHIS, TENN., July 22, 1953.

Hon. ESTES KEFAUVER,
Senate Office Building,
Washington, D. C.:

In view of the very important and necessary function of the district and field offices of the Interstate Commerce Commission I wish to strongly urge that you oppose the section of the Independent Office appropriations bill which eliminates the necessary revenue for these offices to operate, which I consider very detrimental to the relations of motor carriers and the general public.

KENNETH C. SEELEY.

MEMPHIS, TENN., July 22, 1953.

Hon. ESTES KEFAUVER,
Senate Office Building,
Washington, D. C.:

In view of the very important and necessary function of the district and field offices

of the Interstate Commerce Commission I wish to strongly urge that you oppose the section of the independent offices appropriation bill which eliminates the necessary revenue for these offices to operate, which I consider very detrimental to the relations of motor carriers and the general public.

JOE BRINKERHOFF, Jr.

MEMPHIS, TENN., July 23, 1953.

Senator ESTES KEFAUVER,
United States Senate,
Washington, D. C.:

There is a bill coming up before the Senate tomorrow headed "Independent Offices Appropriation bill", which reduce the safety and field activities of the ICC Division of Motor Carriers so that they would be unable to operate effectively. Endeavor to provide elimination of the portion of the bill effecting the safety provision for the general public.

HAYES FREIGHT LINES,
PALMER OLLARD.

MEMPHIS, TENN., July 22, 1953.

Hon. ESTES KEFAUVER,
Senate Office Building,
Washington, D. C.:

In view of the very important and necessary function of the district and field offices of the Interstate Commerce Commission I wish to strongly urge that you oppose the section of the independent offices appropriation bill which eliminates the necessary revenue for these offices to operate, which I consider very detrimental to the relations of motor carriers and the general public.

W. T. LANCASTER.

MEMPHIS, TENN., July 22, 1953.

Hon. ESTES KEFAUVER,
Washington, D. C.:

For the public good, the undersigned urges that you oppose the section of the independent offices appropriation bill which deprives the Interstate Commerce Commission of revenue to operate its district and field offices, which offices are for the protection of the public.

Mrs. MARY B. OSWALT.

MEMPHIS, TENN., July 22, 1953.

Hon. ESTES KEFAUVER,
Senate Office Building:

In view of the very important and necessary function of the district and field offices of the Interstate Commerce Commission, I wish to strongly urge that you oppose the section of the independent offices appropriation bill which eliminates the necessary revenue for these offices to operate, which I consider very detrimental to the relations of motor carriers and the general public.

W. T. BADDLY.

BRISTOL, VA., July 22, 1953.

Hon. ESTES KEFAUVER,
Senate Office Building:

Concerned over bill to reduce Interstate Commerce Commission appropriation. Please use influence to restore appropriation for Bureau of Motor Carriers field force.

SMITH TRANSFER & STORAGE,
By ANDY SMITH.

BRISTOL, VA., July 22, 1953.

Hon. ESTES KEFAUVER,
Senate Office Building:

Committee action on Interstate Commerce Commission appropriations highly detrimental to motor-transport industry. Hope you will vote to restore appropriations for Bureau of Motor Carriers field force and safety department.

E. J. RUTHERFORD,
President, Bristol Van & Storage Co.

MEMPHIS, TENN., July 22, 1953.

Senator ESTES KEFAUVER,
Senate Office Building,
Washington, D. C.:

Understand Senate committee has recommended adoption of House bill abolishing funds for operations of Interstate Commerce Commission district offices. This would mean the discontinuance of all safety work now being done by the Interstate Commerce Commission and would not only be detrimental to the motor carrier industry but to the general public as well. This is not a good bill and will result in confusion and chaos among the motor carriers. Your vote against this bill will insure the continued growth and expansion of the already great industry in the United States.

DEALER TRANSPORTS,
MACK SNIPES,

Vice President and General Manager.

NASHVILLE, TENN., July 22, 1953.

Senator ESTES KEFAUVER,
Senate Office Building,
Washington, D. C.:

Urge opposition to conference committee report on H. R. 4663 recommendation that \$1,793,000 be taken from Bureau Motor Carrier funds for safety and field work and used by Interstate Commerce Commission for other work.

RICHARD GLEAVES.

MARTIN, TENN., July 22, 1953.

Hon. ESTES KEFAUVER,
United States Senate:

Re conference report on H. R. 4663. Your action in restoring funds of the present appropriations of bill H. R. 4663 will be greatly appreciated as this bill will cut the major portion from the Nations' safety program. If such program is carried out the present rate of 38,000 deaths and accidents on the highways will be expected to increase.

C. U. WHELDON,
Argo Collier Truck Lines.

CHICAGO, ILL., July 22, 1953.

Senator ESTES KEFAUVER,
Senate Office Building:

We think H. R. 4663 will affect the safety and proper operation of motor carriers if the field offices are eliminated.

STEPHEN, CUISINIER & GILLESPIE.

NEW YORK, N. Y., July 22, 1953.

Senator ESTES KEFAUVER,
Senate Office Building,
Washington, D. C.:

Re conference report independent office appropriations bill. Understand this bill released from committee and passed by House vote today. In effect this would close down the various division offices of the ICC which affects safety enforcement, etc. Most vital branch of ICC will therefore be shut down. The safety of the traveling public. Road supervision, etc., will necessarily be hampered. Most urgent that this conference bill be sent back to committee for further study and to give transportation companies an opportunity to be heard on subject. Would appreciate your cooperation and efforts to protect the trucking industry.

HARRIS J. KLEIN.

NASHVILLE, TENN., July 21, 1953.

Hon. ESTES KEFAUVER,
Senate Office Building,
Washington, D. C.:

On behalf of the 116,000 people employed directly by the trucking industry in Tennessee we urge your active support on S. 1461, together with amendment filed on July 2 by Arthur, Johnson, Bricker, Capehart.

CHARLES H. POTTER,
Southeastern Motor Truck Lines.

NASHVILLE, TENN., July 21, 1953.

Senator ESTES KEFAUVER,
Senate Office Building, Washington,
D. C.:

Re House bill H. R. 4663. I urge you to use your influence to restore funds for safety work of ICC.

PAUL L. ANDREWS,
Representative Washington County.

NASHVILLE, TENN., July 21, 1953.

Hon. ESTES KEFAUVER,
Senate Office Building, Washington,
D. C.:

Re conference report on H. R. 4663. Adoption of the House report on this bill cuts off a major portion of the safety program of this Nation and can be expected to increase the death toll on the highways. Your help in restoring these funds is urgently needed and will be appreciated. Please advise your position.

STAN OWENS,
General Manager, Tennessee Motor
Transport Association.

BRISTOL, VA., July 22, 1953.

Hon. ESTES KEFAUVER,
Senate Office Building,
Washington, D. C.:

Concerned over bill to reduce Interstate Commerce Commission appropriation. Please use influence to restore appropriation for Bureau of Motor Carriers field office.

SMITH TRANSFER & STORAGE,
By ANDY SMITH.

BRISTOL, VA., July 22, 1953.

Hon. ESTES KEFAUVER,
Senate Office Building:

Committee action on Interstate Commerce Commission appropriations highly detrimental to motor transport industry. Hope you will vote to restore appropriations for Bureau of Motor Carriers field force and safety department.

E. J. RUTHERFORD,
President, Bristol Van & Storage Co.

BRISTOL, VA., July 21, 1953.

Hon. ESTES KEFAUVER,
Senate Office Building:

We are very much interested in the appropriations measures now pending for the Interstate Commerce Commission. We hope you can see fit to vote to restore appropriation for Bureau of Motor Carriers field force and safety department.

R. N. MCINTURFF,
President, Rutherford Freight Lines, Inc.

MEMPHIS, TENN., July 22, 1953.

Hon. ESTES KEFAUVER,
Senate Office Building,
Washington, D. C.:

Urgently request that you amend independent offices appropriation bill to restore authority to Interstate Commerce Commission to conduct safety and field activities' work and supervision. Without these activities conditions in the motor carrier industry will return to same chaos as was prevalent prior to passage of Motor Carrier Act in 1935. This request is in the interest of shippers and receivers of freight as well as the motor carrier industry.

GORDONS TRANSPORT, INC.,
M. M. GORDON,
President.

NASHVILLE, TENN., July 22, 1953.

Senator ESTES KEFAUVER,
Senate Office Building,
Washington, D. C.:

House bill 4663 conference committee report directs appropriation of \$1,793,000 Bureau Motor Carriers safety and field work to be used by ICC for other purposes. This will have effect of destroying safety and field work of Bureau Motor Carriers. Wildcat

truckers, gypsies, and bootleggers will have a field day at the expense of legitimate, established truck lines. Called your office to speak to you personally about matter but you were on Senate floor. Let me urge you strongly as possible to have this appropriation earmarked for BMC safety and field work when conference report comes before the Senate tomorrow.

WHITWORTH STOKES.

MEMPHIS, TENN., July 22, 1953.

Hon. ESTES KEFAUVER,
United States Senate:

Field work by the ICC is vital to the very life of this Nation's transportation network. Their safety program alone saves thousands of traffic deaths annually. This function in itself is worth the expenditures and capital needed to carry on. Adoption of the House report on H. R. 4663 will abolish all means of carrying on such work. Your help in returning the funds concerned in H. R. 4663 is urgently requested.

FILM TRANSIT, INC.,
G. L. BRANDON,
General Manager.

MEMPHIS, TENN., July 23, 1953.

Hon. ESTES KEFAUVER,
United States Senate,
Washington, D. C.:

We understand in H. R. 4663 the committee made certain recommendations to ICC which if followed will seriously restrict safety and field work of ICC. No State in the South attempts to control hours of service of truck drivers. This is vitally important to every person using the highways today. We desire to strongly urge removal of committee recommendation in order that present field and safety work of ICC be continued. Your strong support is urgently solicited.

COOK TRUCK LINES, INC.,
L. C. MILLER.

MEMPHIS, TENN., July 23, 1953.

Hon. ESTES KEFAUVER,
United States Senate,
Washington, D. C.:

Kindly refer H. R. 4663 concerning independent offices appropriation bill safety and field works of the Interstate Commerce Commission. As a representative motor carrier we should like to state our opposition to the elimination of safety and field works on the grounds that said elimination would tend to tear down and disrupt that which the ICC has built and supervised and policed during the past 20 years. Your earnest efforts toward defeat of this bill will be in the public interest of a rapidly growing industry that is in dire need of continual supervision through the district offices of said Interstate Commerce Commission.

T. V. McEVILLY,
Loomac Freight Lines, Inc.

MEMPHIS, TENN., July 22, 1953.

Hon. ESTES KEFAUVER,
Washington, D. C.:

For the public good the undersigned urges that you oppose the section of the independent office appropriations bill which deprives the Interstate Commerce Commission of revenue to operate its district and field offices, which offices are for the protection of the public.

H. B. RAMSEY.

Mr. SALTONSTALL. Mr. President, I thank the Senator from Tennessee.

Mr. DIRKSEN. Mr. President, will the Senator yield?

Mr. SALTONSTALL. I yield.

Mr. DIRKSEN. The Senator from Illinois has propounded a parliamentary inquiry. I should like to have a ruling on it. It is my understanding that the

Chair is ready to rule. I believe it would be informative.

Mr. SALTONSTALL. Mr. President, I yield to the Senator from Illinois for the purpose of stating his parliamentary inquiry, provided I do not lose the floor.

The PRESIDING OFFICER (Mr. BARRETT in the chair). Without objection, it is so ordered.

Mr. KNOWLAND. Mr. President, may we have the parliamentary inquiry stated?

Mr. DIRKSEN. The RECORD will show it, but it was substantially: What is the legal or binding effect of the language that appeared in the conference report, which represented only the opinion of the managers of the House and had never been examined heretofore by the Members of the Senate?

Mr. KEFAUVER. Mr. President, a parliamentary inquiry. I believe the suggestion of the Senator from Illinois does not exactly state the facts. What the Senator from Massachusetts stated was discussed in the conference. I do not believe the facts of the case show that the language was never considered by the Senate. It was probably discussed in conference. Therefore, I wonder whether the parliamentary inquiry fits exactly the situation as it is described by the Senator from Massachusetts.

Mr. President, in order to clarify the matter, will the Senator from Illinois restate his parliamentary inquiry, and then allow the Senator from Massachusetts to state whether the statement of fact on which it is based is accurate.

The PRESIDING OFFICER. Will the Senator from Illinois restate his parliamentary inquiry, for the benefit of the Senator from Tennessee?

Mr. DIRKSEN. Mr. President, the inquiry was rather general in nature, but it went substantially to the question that is before the Senate at the present time, namely, whether there is in the statement which accompanies the report, language by the managers on the part of the House which, although submitted to the House, had never come to the attention of the managers on the part of the Senate—which is as I understand the situation. That might or might not have a very specific effect upon the way the appropriation in question might be expended.

Therefore, the question is whether, under those circumstances, that language in the statement which accompanies the report has any legal or binding effect regarding the purposes for which the expenditures can be made or the amount of the expenditures, or whether it represents nothing more than the opinion of the House conferees.

The PRESIDING OFFICER. The Chair is ready to rule.

Mr. MORSE. Mr. President, will the Chair please withhold the ruling, so that we may have a little discussion, and in order that I may ask a question of the Senator from Massachusetts? I make the request because the ruling will be very important to the Senate, and because the parliamentary inquiry itself assumes a fact about which I wish to be

sure. Before the Chair rules, I wish to know whether it is a fact.

So, Mr. President, if the Chair will permit, I wish to ask the following question of the Senator from Massachusetts: Am I right or am I wrong when I state that it is my conclusion that in the conference no question was left by the House conferees—with Mr. PHILLIPS acting as the chairman of the House conferees—that they were going along with the understanding that this money would be redistributed by the Interstate Commerce Commission to other work which is considered to be of more importance? Was there such discussion in the conference committee?

Mr. SALTONSTALL. The first point which was brought up in the conference committee, to the best of my knowledge and memory, was about the money. It was voted to restore the money. I refer to the money the Senate voted to have used to have the Wolf report put into operation and to streamline the efforts in carrying out the work of the Commission.

The safety question was then brought up. The clerk, Mr. Cooper, read a letter which had been received by me, as chairman, stating that the safety work should be continued.

The House conferees objected very strenuously to the terms of the letter. It was then agreed that the money appropriated for the Commission should be used first for other things; and it was the idea of the conferees on the part of the House, as I understood, that the safety work would not be given up, but that the Wolf report would be put into effect, that the employees would be absorbed, and that the safety work would be given a lower priority.

Mr. MORSE. Mr. President, I wish to say, most respectfully, to the Senator from Massachusetts, that I think his very account of the discussion in the conference committee fully justifies the language used by the House conferees in their statement to the House, when they said it was agreed by the conferees that this money should be redistributed and used for purposes which were considered more important.

So the parliamentary inquiry includes an assumption of fact which is not borne out by the very statement which has been made by the chairman of the Senate conferees, namely, that this matter was discussed, that there was objection by the House conferees, that there was insistence by the House conferees that there be an understanding that the money be redistributed so as to be used for work other than safety work; that they so reported to the House; and that on the basis of that understanding, the House adopted the conference report.

Mr. SALTONSTALL. Mr. President, I should like to read a part of the colloquy in the House between Mr. COOLEY and Mr. PHILLIPS:

Mr. COOLEY. In the conference report the conferees make certain recommendations which, of course, will not be binding but will be only advisory to the Commission?

Mr. PHILLIPS. That is correct.

Mr. KERR. Mr. President, will the Senator from Massachusetts yield to me?

Mr. SALTONSTALL. I yield.

Mr. KERR. I hold in my hand report No. 881, which bears the heading "First Independent Offices Appropriation Act, 1954" and contains the subheading "Conference Report (to accompany H. R. 4663)."

I wish to ask the Senator from Massachusetts whether there is any other report of the conference committee.

Mr. SALTONSTALL. It is my understanding that the Senate conferees never submit a printed statement to accompany a conference report, but that the managers on the part of the House always submit a printed statement to the House of Representatives. So far as I know, the Senate conferees on these bills never see the printed statement on the part of the managers for the House, which is submitted to the House until it is printed and until the conference report itself comes upon the floor of the Senate.

In this instance, until this question arose, and until I knew it was to be an issue, I had never seen this printed statement, which is signed only by the managers on the part of the House, and was not in any sense subjected to scrutiny by the conferees on the part of the Senate.

Mr. KERR. I understand that. But as a point of information for myself, as well as for the other Members of the Senate, let me inquire whether Report No. 881 is the only report on this subject that exists. It is, is it not?

Mr. SALTONSTALL. That is correct.

Mr. HILL. Mr. President, will the Senator from Massachusetts yield to me?

Mr. SALTONSTALL. I yield.

Mr. HILL. If the Senator will turn to page 7 of the document he holds in his hand, Report No. 881, he will find at the top of the page a heading "Statement of the Managers on the Part of the House." The statement follows. The language in question is to be found in the text following that heading. The Senator will also find that that statement is also signed; the names of the signers, who are the managers on the part of the House, appear on page 12.

In other words, the Senate conferees did not take part in that statement, which is a statement by the managers on the part of the House.

Mr. KERR. I am aware of that, and I express my appreciation to the Senator from Alabama for the suggestion, and also to the Senator from Massachusetts for answering my question.

But in view of the fact that it is the only printed statement by any of the conferees, and in view of the fact that it was the one which was before the House when the House adopted the conference report, therefore, not only in order to avoid any question as to what seems to be the intent of our distinguished conferees, for whom I have the greatest respect, and in whom I have the highest confidence, but also in order to make our own record clear and to do justice to

them, we should take steps to have a further conference held.

Mr. SALTONSTALL. Mr. President, to the best of my knowledge, both the Senator from Alabama and the Senator from Louisiana were present in the conference when this subject was discussed. If I have not stated the matter accurately, I shall be very glad to yield, so that we may hear from them.

Mr. HILL. Mr. President, will the Senator from Massachusetts yield to me?

Mr. SALTONSTALL. I yield.

Mr. HILL. To the best of my recollection, the Senator from Massachusetts has stated the matter accurately. I think he has stated it in just the way it developed. The agreement was that the appropriation was to be put back into the bill, and certainly my understanding is along the line of that stated by the Senator from Massachusetts to the Senate, namely, that to implement the Wolf report would not involve, so far as I understood, any desertion of the safety work done by the Interstate Commerce Commission.

Mr. KNOWLAND. Mr. President, will the Senator from Massachusetts yield to me?

Mr. SALTONSTALL. I yield.

Mr. KNOWLAND. I have been discussing the matter with the distinguished Senator from Massachusetts, as well as with the distinguished minority leader. I was going to make a suggestion which I understood would be agreeable, namely, that the conference report be rejected—as a part of the procedure—and that then, assuming that the Senate rejected the conference report, a motion be made that the Senate further insist upon the remaining amendments in disagreement, as set forth in the report, request a further conference with the House of Representatives on all amendments in disagreement, and that the Chair appoint the conferees on the part of the Senate.

In regard to the amendments in disagreement, as they are set forth on page 6 of the conference report, at the bottom of the page, just preceding the signatures, we find the statement:

The committee of conference report in disagreement amendments numbered 9, 33, 42, 43, 46, and 53.

My understanding is that amendment numbered 33, which was an amendment on the part of the Senate, had already been accepted by the House, and therefore it is not in issue.

So far as I know—and the distinguished Senator from Alabama and the other Senators who were present at the conference will, of course, be able to state their understanding of the matter—there is no controversy or major difference of opinion regarding amendments numbered 9, 46, and 53. I may be mistaken, but that is my understanding.

Amendments numbered 42 and 43, the housing amendments were subject to controversy.

I understand there were 3 different housing amendments, namely, amendments numbered 33, 42, and 43. But amendment numbered 33 having been

accepted by the House, it is no longer at issue.

That leaves only amendments numbered 42 and 43.

So they would be sent to the further conference, along with the conference report, if the Senate so votes.

Mr. JOHNSON of Texas. We are agreeable to that course.

Mr. KNOWLAND. Yes. I have also discussed this matter with the Senator from Massachusetts. Although he feels that this procedure would clarify the situation, yet there seems to be some doubt. In view of the precedents of the Senate and the problems which might be raised, I am inclined to believe that probably the more orderly procedure and the more expeditious procedure would be for us to reject the conference report and request a further conference with the House on the amendments in disagreement. I am of that opinion because it is obvious that we shall have considerable discussion not only tonight, but tomorrow, and of course the House is not in session; and if we were to adopt a concurrent resolution, the result would be that action on the appropriation bill would have to be held up, in order to wait to see what action the House would take on the concurrent resolution. So, I am inclined to believe we would save more time—rather than be required to wait that long—by rejecting the conference report and by having a further conference on the amendments in disagreement.

The acting majority leader would not have made the suggestion, except after consultation with the distinguished Senator from Massachusetts and the minority leader. If that is agreeable to the Senate, I think we could proceed, and it would then be my purpose to recess until tomorrow morning at 10 o'clock.

The reason is that I think all Members of the Senate, in the general comity that exists between the two Houses, find that there is a very definite feeling on the part of the distinguished Senator and other members of the conference committee that they thoroughly understood what was done. In the future, we do not want any question to be raised, regardless of how remote, as to the good faith of the Senate in living up to its part of an agreement. Therefore, rather than have even a remote possibility of that, I think probably it would be much better to follow the procedure I have suggested, if it is agreeable to the Senate.

Mr. DIRKSEN. Mr. President, will the Senator from Massachusetts yield?

Mr. SALTONSTALL. I yield.

Mr. DIRKSEN. I withdraw the parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Illinois withdraws his parliamentary inquiry. The question is on agreeing to the conference report.

Mr. DOUGLAS. Mr. President, will the Senator yield?

Mr. SALTONSTALL. I yield to the Senator from Illinois.

Mr. DOUGLAS. I think the suggestion of the distinguished acting majority leader, that not only the issue concerning the safety work of the Interstate

Commerce Commission, but also the two amendments in regard to housing, be included in the matters of disagreement and sent back to conference is extremely sound and wise.

In order that the RECORD may be clear on this point, I think it well to know exactly what the House did. The House not only put a limit of 20,000 units on construction for this fiscal year, but it also forbade any future units being contracted for, and in the debate virtually forbade any future construction, although there are some 62,000 units that are now under definite contract.

On the recommendation of the Representative from California, Mr. PHILLIPS, such an amendment was adopted by the House, which means, if not objected to by the Senate, the absolute death of public housing in the great cities of this country and a continuance of the slums and the discontinuance of public housing for low-income groups in smaller cities and towns as well.

Mr. President, I think we should be very definite in our statement that we should reject the House interpretation, not only on the matter of the ICC safety work but also on the matter of housing, as well. I thank the acting majority leader for including that in the frame of reference for the conference committee, but I think the RECORD should show very clearly that we are in disagreement on both points and not merely on one.

Mr. President, I ask unanimous consent that a further statement I have prepared on the subject of the housing features of the conference report, and a summary of the telegrams which I have received on the ICC feature of the conference report, be printed at this point in the RECORD.

The PRESIDING OFFICER. Is there objection?

There being no objection, the statement and summary of telegrams were ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR DOUGLAS AND OUTLINE OF OBJECTIONS TO HOUSE AMENDMENTS TO PUBLIC HOUSING PROVISIONS IN H. R. 4663
SUMMARY

The House amendments accompanying the conference report on H. R. 4663 are a knock-out blow to the low-rent public housing program. As the debate in the House made clear last Tuesday, the House leadership has sought to fasten into this bill a restriction against any future public housing contracts with the express intention of liquidating the program. The limitation to 20,000 units is bad enough. The restriction against new contracts, with the interpretation given by the House leaders, is fatal.

That part of the total housing program which is of greatest benefit to low-income groups, and to racial minorities, and which is essential to the slum clearance and urban redevelopment plans, is thus about to be thrown out the window. It is far different from the royal reception recently accorded the real estate, home construction, mortgage financing and other private building interests by Congress as we rolled out the red carpet and extended and expanded the various loans, loan guaranties, secondary markets for mortgages and other programs by which the Government gladly assists all of those groups.

If the Senate is to maintain this essential, but very small, part—it is hardly 3 per-

cent—of our national housing program, I believe it must send the bill back to conference with a clear understanding that we want them to take the knife out of the back of public housing. The able and energetic majority leader in the Senate, whose absence we all deeply regret, did much in 1949 to father and develop this well-balanced housing program and win congressional approval for it. The senior Senator from Louisiana, [Mr. ELLENDER], was a vigorous advocate and cosponsor. It deserves the same bipartisan support today.

OUTLINE OF OBJECTIONS TO PUBLIC HOUSING PROVISIO (HOUSE AMENDMENT TO SENATE AMENDMENT 43)

1. THE HOUSE PROVISIO IS A DEFINITE STEP TOWARD LIQUIDATION OF THE LOW-RENT PUBLIC HOUSING PROGRAM

That the provision adopted by the House to prohibit the Public Housing Administration from making any new loan and contributions contracts unless later authorized, is a deathblow to the program, is clearly shown by the House debate July 21, 1953, when this provision was approved.

On that occasion the following statements were made:

"Mr. COLMER. I understood the gentleman from California to say in substance that this would liquidate the public housing program."

"Mr. PHILLIPS. That is the intent of the conference committee." (CONGRESSIONAL RECORD, July 21, 1953, p. 9584.)

"Mr. THOMAS. The committee decided this year they would tighten up the language and virtually attempt to wind up the program. * * * But until the next Congress begins, for all practical purposes, this program is wound up, with the exception of the 20,000 units included in the bill." (CONGRESSIONAL RECORD, July 21, 1953, p. 9586.)

In the House debate Congressman PHILLIPS also put special emphasis on what he called "escape clause" in existing loan and contribution contracts, suggests that by virtue of those clauses the Federal Government can get out of many of the existing loan and contributions contracts. The legal interpretation put on these clauses by the agency is merely that they prevent the Government from being obligated to start more than 35,000 units (the 1953 act limit) in any one year.

With Congressman PHILLIPS' interpretation of those contracts, and his expressed intention on the House floor, it is clear that the effort is being made to stop all further public housing projects except for the 20,000 units authorized in this bill.

This means that nearly two-thirds of the units presently under executed contributions contracts, which most of us had considered binding, may not go forward. This following list of those projects by States and city areas (excluding the approximately 6,000 units in controversy in Los Angeles) shows the wide range of the housing thus endangered.

Executed annual contributions contracts but not under construction, June 30, 1953

	Number units
Alabama: Hartselle.....	12
Arkansas: Blytheville.....	60
California:	
Bakersfield (Kern County).....	166
Brawley area (Imperial County)...	25
Colton.....	31
Indio (Riverside County).....	20
Los Angeles.....	1,593
Oakland.....	1,998
Richmond.....	300
Sacramento County.....	100
San Francisco.....	2,683
Colorado: Denver.....	520

Executed annual contributions contracts
but not under construction, June 30,
1953—Continued

	Number units
Connecticut:	
Ansonia.....	125
Derby.....	75
Meriden.....	140
New Haven.....	368
District of Columbia.....	1,386
Florida:	
Miami.....	488
West Palm Beach.....	250
Georgia:	
Atlanta.....	510
Athens.....	286
Illinois:	
Alton (Madison County).....	100
Brussels (Calhoun County).....	4
Chicago.....	8,015
Gillespie (Macoupin County).....	20
Hamburg (Calhoun County).....	6
Pinckneyville (Perry County).....	26
Hardin.....	22
Kampsville.....	12
Kankakee.....	120
Indiana:	
Evansville.....	108
Indianapolis (in litigation).....	659
Muncie.....	520
Kentucky:	
Owensboro.....	74
Somerset.....	50
Louisiana: New Orleans.....	1,352
Maryland: Baltimore.....	2,588
Massachusetts:	
Boston.....	150
Clinton.....	100
Gloucester.....	100
Lowell.....	372
Lynn.....	175
Michigan:	
Detroit.....	3,874
Pontiac.....	300
Saginaw.....	236
Minnesota: St. Paul.....	418
Mississippi:	
Meridian.....	92
Yazoo City.....	40
Missouri: St. Louis.....	3,384
New Jersey:	
Bloomfield.....	125
Kearny.....	160
Newark.....	778
Paterson.....	252
Trenton.....	122
New York:	
Buffalo.....	472
New York.....	9,662
Syracuse.....	331
North Carolina:	
Goldsboro.....	115
Rocky Mount.....	110
Winston-Salem.....	244
Ohio:	
Cincinnati.....	660
Cleveland.....	998
Columbus.....	524
Youngstown.....	304
Oregon: Reedsport (Housing Author- ity, Douglas County).....	14
Pennsylvania:	
Connellsville.....	125
Harrisburg.....	165
Philadelphia.....	975
Pittsburgh.....	1,000
Turtle Creek (Housing Authority, Allegheny County).....	300
Puerto Rico:	
Arecibo (Puerto Rico Housing Au- thority).....	200
Moca (Puerto Rico Housing Au- thority).....	74
Rio Piedras (Puerto Rico Housing Authority).....	664
San Juan (municipal housing au- thority of capital).....	1,150
Tennessee:	
Chattanooga.....	206
Etowah.....	54
Memphis.....	79

Executed annual contributions contracts
but not under construction, June 30,
1953—Continued

	Number units
Texas:	
Beaumont.....	150
Galveston.....	104
Knox City.....	32
Naples.....	20
Omaha.....	10
Port Arthur.....	168
Texarkana.....	125
Tom Bean.....	10
Whitewright.....	16
Virginia:	
Alexandria.....	46
Norfolk.....	742
Portsmouth.....	665
Wisconsin: Milwaukee.....	411
Total.....	55,815

Source: Public Housing Administration.

The statements by the leading House conferees thus mean that the pipeline of projects working up to the ready stage for construction is cut off. No new projects can be put into it to be ready when Congress appropriates further sums. And the agency is being asked to dump all possible existing contracts out of the pipeline on the theory of an escape clause.

The importance of having an inflow of executed annual contributions contracts and the necessity of preparing well in advance for the time when construction is authorized is explained in the following extract from a statement of May 5, 1953, by the Public Housing Commissioner which was furnished to the Comptroller General of the United States, Lindsay C. Warren:

"It has been the experience of the Agency under the United States Housing Act of 1937, as amended, that in order to create a sufficient workload to result in a certain number of units ready for construction in a particular fiscal year, it was necessary to place many more than that number under annual contributions contracts (up to the annual contributions contract a local housing authority cannot even start acquiring sites), a still larger number under preliminary contracts (where preliminary loans for surveys and planning were necessary) and still more under program reservations. This practice is necessary for two obvious reasons: (1) a certain number of projects under program reservations never reach the point of either preliminary loan contracts or annual contributions contracts, and a lesser number drop out between the preliminary loan contract stage and the annual contributions contract stage, (2) some projects progress from the stage of program reservation, preliminary loan contract, or annual contributions contract, to the construction stage in a relatively short time; others, for various reasons such as the size of the project, problems of design, cost, site selection and acquisition, reconciliation of local differences of opinion, relocation of slum-site dwellers, etc., may take years to reach the point of construction."

The Senator from South Carolina [Mr. MAYBANK] and Commissioner Egan also made it clear in the Senate hearings (p. 446) that in many cases it takes from 3 to 4 years after the execution of the contributions contracts to start construction. Cutting off the flow of new contracts and pressure to nullify existing contracts, which the House provision and debate attempt, are thus likely to be fatal to public housing.

Although I am confident that our Senate conferees did not intend any such liquidation of the program, it would appear that the House conferees did.

2. HOUSING ASSISTANCE TO THOSE IN GREATEST NEED IS TO BE CUT OFF

While virtually all other programs for housing assistance have been continued and

extended, public housing for low-income families is to be reduced and soon cut off.

3. THE HOUSING OPPORTUNITIES FOR NEGRO FAMILIES WILL BE ESPECIALLY HARD HIT

The housing program that has done the most to give Negro families a fair shake and to meet the serious shortage that exists for these families in present housing opportunities (because of discrimination in financing, exorbitant rents, site location, etc.), has been the low-income public housing program. Under the legislation prior to 1949, 70,200, or 42.7 percent of the 183,000 occupied units were occupied by Negro families. Of the 170,200 units completed, or under construction, under the 1949 act as of June 30, 1953, 49,200, or 28.9 percent are designated for occupancy by Negro families. Of the 175,200 units not under construction, under the act of 1949, 51,200, or 29.2 percent are planned for occupancy by Negro families. Of the 56,100 units (included in the last figure mentioned above—175,200) under annual contribution contracts, 27,200, or 48.5 percent are planned for occupancy by Negro families.

Southern communities have an especially impressive record in this regard. A computation made nearly a year ago of units under all programs showed that in the Southern States 51 percent of the total number of units completed, under construction or planned, were for occupancy by Negro families. We in the North must acknowledge that the local action of southern communities has been more extensive than our own.

The needs of these citizens are further emphasized by certain facts in connection with the urban redevelopment programs. Of 48,900 families which will be displaced in 92 urban redevelopment projects a recent report reveals that 31,500 or 64.6 percent were nonwhite. I understand that over 80 percent of these Negro families are reported to be living in substandard housing and that nearly 60 percent of such displaced families must be rehoused in public housing.

The importance of this public-housing program not only for the families now housed in substandard houses, but also for the communities where group tensions often develop out of inadequate housing situations hardly needs to be underlined. It is hard to see how anyone who recognizes the great needs of Negro citizens for housing and the substantial assistance given by the public-housing program, could fail to support the continuation of it.

4. THE PUBLIC HOUSING LIMITATIONS OF THE HOUSE WILL SERIOUSLY HANDICAP THE SLUM-CLEARANCE AND URBAN-REDEVELOPMENT PROGRAMS ALSO

Since under the law slum clearance requires the relocation to decent, safe, and sanitary dwellings of those who are to be displaced, and housing shortages exist in many of these cities, public housing for relocated families becomes a most essential part of the total program.

It is ironical, as pointed out in the House debate by Congressman YATES, that the slum-clearance and urban-redevelopment figure in this bill is 150 percent higher than last year's figure (\$20 million instead of \$8 million), while, at the same time, the heart is being cut out of the public housing program so necessary to its success.

5. THE PROVISION FOR A REPORT TO THE APPROPRIATIONS COMMITTEES COMPLETELY SIDETRACKS THE BANKING AND CURRENCY COMMITTEES, WHICH HAVE PRIMARY JURISDICTION FOR HOUSING LEGISLATION

If the bill can be sent back to conference, attention should also be given to the importance under orderly congressional procedure for any review and report on public housing to be sent to the appropriate legislative committees, the House and Senate Banking and Currency Committees. This will assure full

hearings and discussion of this vital part of the well-rounded housing program adopted in 1949, with strong bipartisan support.

SUMMARY OF TELEGRAMS RECEIVED BY SENATOR PAUL H. DOUGLAS ON SAFETY FEATURES OF INTERSTATE COMMERCE COMMISSION WORK AS AFFECTED BY CONFERENCE COMMITTEE ACTION ON H. R. 4663

I have received numerous telegrams from citizens of Illinois protesting against those features of the conference report, which have been interpreted by the House conferees and the House, as discontinuing the safety inspection work of the ICC on trucks and other heavy motor vehicles. I hope that the Senate will also disagree with the House on this point and send the report back to conference.

Among those who have protested have been the following:

P. V. Pappas, Stephan Cuisinier and Gillespie, Adilon Peetit, Jr., Roy E. Olin, Franklin R. Overmyer, Safeway Truck Lines, Spector Motor Service, M. A. Riddle, Howard Willet, Jr., Midstate Freight Lines, Hinchcliffe Motor Service, Samuel L. Kane, Krena Trucking Co., William Noorlag, Jr., all of Chicago; Dumont Cartage Co., of Aurora; C. John Viking, of Waukegan.

R. B. Oppenheimer and Lee Brothers Inc., of Chicago; Dohrn Transfer Co., of Rock Island; Eugene Cohn, Thomas E. Carey, Walter Mullady, Richard O. Stoaks, Max R. Harris, Fred Olson & Son, M. E. Holt, H. M. Sell, all of Chicago; Fox Valley Express and Martin Transfer and Storage, of Aurora; Bunsen Transfer, of Elgin; Midwest Transfer Co., Nighthawk Freight Service, W. W. Flint, and Dennis Collier, all of Chicago; Elgin Storage and Transfer Co., of Elgin.

Mr. SALTONSTALL. I desire to reply to the Senator from Illinois, very briefly, in regard to this bill going back to conference, by saying I do not agree with him in his interpretation that housing is to be given up. As one of the conferees, I am in favor of housing, and in my opinion the language continues it. It is for the Congress at the next session to decide how far to proceed with it. But I may say that if we get into that discussion, it will be a very long one.

In regard to the suggestion of the acting majority leader, I may say amendment No. 9 relates to the purchase of automobiles by the Federal Communications Commission. On amendment No. 9, the House receded and concurred with an amendment. On amendment No. 33, the Housing and Home Finance Agency amendment, the House receded and concurred in the Senate amendment, so there was nothing for us to do on that.

Amendment 42 relates to public housing, which has been discussed. Amendment 43 also relates to public housing, which has also been discussed. Amendment No. 46 relates to the Interstate Commerce Commission's purchase of automobiles. On it the House receded and concurred, with an amendment. I do not think there is any argument in regard to that amendment, or any particular interest in it, so I hope we can accept it.

Amendment 53 has to do with the National Capital Planning Commission, and land acquisition. On it the House receded and concurred, with an amendment. I do not think there is any interest in that. So the understanding I get is that if the Senate rejects the conference report, it will mean that all the

other items, as to which there was not an amendment proposed by the House in which we had to concur, will be in conference.

The Interstate Commerce Commission amendment is in conference as well as the housing amendment, or they will be, if the motion of the acting majority leader prevails.

Mr. SPARKMAN. Mr. President, will the Senator from Massachusetts yield?

Mr. SALTONSTALL. I yield to the Senator from Alabama.

Mr. SPARKMAN. I do not wish to delay the Senate, but I believe we ought to be rather positive with reference to the continuation of the housing program. I certainly know that the Senator from Massachusetts means exactly what he says, when he states he is in favor of continuing it. It was my understanding, from discussions I had with various conferees on the part of the Senate, that the intent was not to discontinue the housing program. But again we must go back to the discussion which took place on the floor of the House when this amendment was considered. I wish to read a question which was propounded to Representative PHILLIPS, who was chairman of the managers on the part of the House. This statement was made by Representative COLMER:

I understood the gentleman from California to say in substance that this would liquidate the public-housing program?

Mr. PHILLIPS replied:

That is the intent of the conference committee.

Mr. KEFAUVER. Mr. President, will the Senator tell us the page from which he is reading?

Mr. SPARKMAN. That is found on page 9584 of the CONGRESSIONAL RECORD for July 21. The first statement I read, and the reply thereto, appear in the middle of the second column. In the third column on that page, after a brief discussion, Representative PHILLIPS stated:

I believe that these 20,000 houses for this year should end this public-housing program, and that in the future we should depend upon private industry with the help of the FHA and similar supporting programs to carry on local construction.

Still later, as shown on page 9587, in the second column, Representative THOMAS, who is the ranking Democrat on the committee, said:

For all practical purposes this program is wound up with the exception of the 20,000 units included in the bill.

Mr. President, I think we ought to have those statements in mind. We ought to make certain that when there is a final decision between the two Houses, the intent of the Senate will be well understood, namely, that it is not intended that there shall be a liquidation of the housing program, but that what it amounts to is a cutting down to the figure agreed upon, of 20,000 units per year.

Mr. President, I realize, of course, that there was another provision, and that it should be studied. These provisions should go to the appropriate committees of the two Houses. Of course, we all have great respect for the powerful Ap-

propriations Committees; yet, after all, the determination of basic legislation ought to be made by legislative committees, and legislation ought to be proposed to the Senate by legislative committees. If an existing program is to be abolished, it ought to be abolished upon the recommendation of a legislative committee. If a study is to be made to determine what the future of that program is to be, and if it involves basic legislation, I say the study ought to be made by the appropriate legislative committees, and that there should be substantive legislation.

Mr. President, I shall not take any more time, but, in order that there may be before the Senate a showing with reference to the housing situation, let me say that these are units which have been in process, applications prepared and preliminary contracts made, over a period of 2 or 3 years. Not a single one has come in since July 5, 1952. That is when the curtailment to 35,000 units was made, and this does not involve a single unit based upon an application or contract since that time. The Senator from Illinois [Mr. DOUGLAS] has stated what will happen, and I would add to what he said that public housing in the smaller towns and cities would be wiped out completely.

Mr. President, I ask unanimous consent to insert in the RECORD a list of States, with the localities and the number of units affected, and I invite the attention of the Members of the Senate, from every State in the Union, to look over the list and note the small towns and small cities which would be adversely affected by a stoppage of the program.

There being no objection, the list was ordered to be printed in the RECORD, as follows:

ALABAMA	
Abbeville.....	40
Adamsville, Housing Authority Jefferson County.....	115
Aliceville.....	44
Altoona.....	34
Anniston.....	136
Arab.....	32
Attalla.....	110
Berry.....	24
Birmingham.....	2,000
Brookside, Housing Authority, Jefferson County.....	6
Carson, Housing Authority Washington County.....	10
Chatom, Housing Authority Washington County.....	22
Collinsville.....	2
Crossville.....	6
Demopolis.....	100
Elba.....	34
Enterprise.....	50
Floral.....	42
Florence.....	100
Gadsden.....	200
Gardendale, Housing Authority Jefferson County.....	62
Geneva.....	34
Graysville, Housing Authority Jefferson County.....	74
Haleyville.....	8
Hanceville.....	12
Harpersville, Housing Authority Vincent.....	16
Hartford.....	34
Heflin.....	34
Huntsville.....	20

Kimberly, Housing Authority Jefferson County	62	Danbury	150	Hapeville	50
Leeds	18	Enfield	116	Harlem	14
Leighton	30	New Haven	130	Hilltonia, Housing Authority of Screven County	12
Lineville	28	New London	176	Homerville	50
McIntosh, Housing Authority Washington County	10	Southington	50	Jefferson	40
Millry, Housing Authority Washington County	8	Stamford	1	Kingsland	24
Mobile	207	Wallingford	40	Lafayette	72
Montgomery	910	Total (7)	663	Loganville	20
Muiga, Housing Authority Jefferson County	230	DELAWARE		Louisville	28
Oneonta	10	Wilmington	900	Ludowici	28
Opp	60	DISTRICT OF COLUMBIA		Lumber City	20
Pell City	48	Washington, National Capital Housing Authority	1,484	Macon	750
Piedmont	36	FLORIDA		McRae	20
Ragland	26	Bonifay, Northwest Florida Regional Housing Authority	40	Millen	62
Scottsboro	100	Bunnell, Housing Authority Flagler County	35	Montezuma	56
Sunflower, Housing Authority Washington County	10	Cottondale, Northwest Florida Regional Housing Authority	16	Morgan	4
Talladega	196	Eau Gallie, Housing Authority Brevard County	24	Mount Airy, Housing Authority of Cornelia	8
Trussville	34	Geneva, Housing Authority Seminole County	6	Newnan	55
Vernon	16	Graceville, Northwest Florida Regional Housing Authority	56	Newton	28
Vincent	12	Jacksonville	1,266	Oclilla	65
Warrior, Housing Authority Jefferson County	74	Key West	53	Odum, Housing Authority of Jesup	10
Winfield	4	Live Oak	54	Oglethorpe	20
Yellow Pine, Housing Authority Washington County	10	Malone, Northwest Florida Regional Housing Authority	6	Parrott, Housing Authority of Dawson	4
York	18	Marianna	80	Pearson	20
Total (53)	5,558	Miami	500	Pinehurst, Housing Authority of Dooly County	6
ARIZONA		Ocala	98	Rhine, Housing Authority of Eastman	16
Avondale, Housing Authority Maricopa County	30	Orlando	1	Savannah	337
Buckeye, Housing Authority Maricopa County	20	Ormond Beach	28	Screven, Housing Authority of Jesup	14
Elmirage-Surprise, Housing Authority Maricopa County	20	Oviedo, Housing Authority, Seminole County	30	Social Circle	30
Gilbert-Higley, Housing Authority Maricopa County	20	Pahokee	115	Summerville	100
Maricopa, Housing Authority Pinal County	30	Pensacola	328	Sylvania	50
Maricopa County	150	Pompano Beach	120	Thomson	106
Peoria, Housing Authority Maricopa County	20	Quincy	80	Tifton	54
Phoenix	516	Sanford	50	Tignall, Housing Authority of Washington	14
Stanfield, Housing Authority Pinal County	20	Sneads, Northwest Florida Regional Housing Authority	22	Unadilla, Housing Authority of Dooly County	20
Tolleson, Housing Authority Maricopa County	40	Total (22)	3,008	Vidalia	120
Total (10)	866	GEORGIA		Vienna, Housing Authority of Dooly	28
ARKANSAS		Alma	62	Warner Robins	100
Blytheville	14	Americus	40	Warrenton	28
Little Rock	72	Atlanta	1,000	Washington	50
Texarkana	80	Augusta	525	Waverly Hall, Housing Authority of Harris County	10
Total (3)	166	Austell	18	Waynesboro	100
CALIFORNIA		Baldwin, Housing Authority of Cornelia	8	Willacoochee, Housing Authority Atkinson County	40
Atwater, Housing Authority Merced County	15	Bronwood, Housing Authority of Dawson	6	Wrens, Housing Authority Waynesboro	18
Calipatria	25	Buchanan	8	Total (69)	5,217
Coalinga, Housing Authority Fresno County	25	Calro	86	HAWAII	
Eureka	60	Camilla	50	Hilo, Island of Hawaii, Hawaii Housing Authority	40
Imperial	25	Canon, Housing Authority of Lavonia	12	Honolulu, Island of Oahu, Hawaii	266
Holtville	50	Carnesville, Housing Authority of Lavonia	12	Total (2)	306
Marysville	50	Chauncey, Housing Authority of Eastman	10	IDAHO	
Oakland	2	Chester, Housing Authority of Eastman	10	Pocatello	200
Oakley, Housing Authority Contra Costa County	30	Chipley, Housing Authority of Harris County	12	ILLINOIS	
Redlands, Housing Authority San Bernardino County	65	Claxton	60	Alton, Housing Authority Madison County	150
Riverside, Housing Authority Riverside County	260	Cleveland	12	Athens, Housing Authority Menard County	26
Sacramento	50	Columbus	242	Batchtown, Housing Authority Calhoun County	6
San Francisco	27	Dallas	60	Benld, Housing Authority Macoupin County	44
Total (13)	684	Dawson	21	Bloomington	100
COLORADO		Donalsonville, Housing Authority of Seminole County	36	Brighton, Housing Authority Macoupin County	20
Pueblo	401	Edison	24	Brooklyn, Housing Authority St. Clair County	100
		Fort Gaines	24	Brussels, Housing Authority Calhoun County	2
		Gainesville	160	Bunker Hill, Housing Authority Macoupin County	30
		Hamilton, Housing Authority of Harris County	18	Camp Point, Housing Authority Adams County	22
				Carlinsville, Housing Authority Macoupin County	56

Carrier Mills Township, Housing Authority Saline County.....	58	Junction City.....	6	Wesson, Housing Authority, Brookhaven.....	38
Chicago.....	10, 617	Marion.....	10	Yazoo City.....	40
Chicago Heights, Housing Authority Cook County.....	148	New Orleans.....	106	Total (17).....	908
Clayton, Housing Authority Adams County.....	16	New Orleans.....	2, 000		
Danville.....	200	Palmetto.....	6	MISSOURI	
East St. Louis, Housing Authority St. Clair County.....	300	Shreveport.....	500	Kansas City.....	1, 314
Galatia, Housing Authority Saline County.....	10	Thibodaux.....	80	St. Louis.....	1, 478
Gillespie, Housing Authority Macoupin County.....	30	Vinton.....	20	Total (2).....	2, 792
Grand Chain, Housing Authority Pulaski County.....	20	Westlake.....	20		
Hamburg, Housing Authority Calhoun County.....	4	Total (14).....	2, 894	NEVADA	
Harrisburg, Housing Authority Saline County.....	50			Las Vegas.....	40
Henning, Housing Authority Vermillion County.....	4	MARYLAND		Reno.....	150
Herrin, Housing Authority Williamson County.....	100	Annapolis.....	60	Total (2).....	190
Hurst, Housing Authority Williamson County.....	30	Baltimore.....	1, 463		
Johnston City, Housing Authority of Williamson.....	74	Cumberland.....	145	NEW HAMPHIRE	
Joliet.....	454	Frederick.....	80	Dover.....	1
Karnak, Housing Authority Pulaski County.....	36	Total (4).....	1, 748	Nashua.....	100
Mendon, Housing Authority Adams County.....	14	MASSACHUSETTS		Total (2).....	101
Mound City, Housing Authority Pulaski County.....	60	Attleboro.....	75		
Mounds, Housing Authority Pulaski County.....	60	Boston.....	263	NEW JERSEY	
Nokomis, Housing Authority Montgomery County.....	35	Cambridge.....	325	Asbury Park.....	63
Olmsted, Housing Authority Pulaski County.....	16	Chicopee.....	150	Atlantic City.....	278
Pekin, Housing Authority Tazewell County.....	100	Everett.....	125	Bayonne.....	4
Peoria.....	336	Fall River.....	200	Bayonne.....	250
Pinckneyville, Housing Authority Perry County.....	14	Gloucester.....	100	Burlington.....	100
Pulaski, Housing Authority Pulaski County.....	20	Holyoke.....	160	Camden.....	164
Raymond, Housing Authority Montgomery County.....	20	Lawrence.....	137	Clifton.....	125
Riverside, Housing Authority Adams County.....	24	Lowell.....	16	Elizabeth.....	250
Staunton, Housing Authority Macoupin County.....	58	Newburyport.....	150	Hackensack.....	6
Stonefort, Housing Authority Saline County.....	8	Pittsfield.....	200	Hackensack.....	44
Ulin, Housing Authority Pulaski County.....	30	Somerville.....	284	Hoboken.....	5
Virden, Housing Authority Macoupin County.....	50	Taunton.....	100	Jersey City.....	794
Waukegan.....	260	Total (14).....	2, 285	Morristown.....	56
Total (44).....	13, 812	MICHIGAN		Newark.....	526
INDIANA		Alpena.....	42	New Brunswick.....	200
Evansville.....	120	Baraga.....	10	Orange.....	20
Indianapolis.....	1, 152	Bay City.....	480	Paterson.....	8
Michigan City.....	170	Belding.....	10	Perth Amboy.....	200
Tell City.....	40	Benton Harbor.....	20	Plainfield.....	47
Total (4).....	1, 482	Bessemmer.....	20	Rahway.....	79
KENTUCKY		Bronson.....	30	South Amboy.....	75
Covington.....	50	Ecorse.....	200	Trenton.....	117
Danville.....	48	Greenville.....	40	Union City.....	45
Frankfort.....	75	Hamtramck.....	190	West New York.....	5
Louisville.....	496	River Rouge.....	100	West New York.....	80
Mount Sterling.....	82	Saginaw.....	29	Total (25).....	3, 541
Paducah.....	200	Ypsilanti.....	90		
Paris.....	26	Total (13).....	1, 261	NEW YORK	
Winchester.....	54	MINNESOTA		Albany.....	400
Total (8).....	1, 031	Chisholm.....	16	Buffalo.....	1, 591
LOUISIANA		Duluth.....	300	Cohoes.....	250
Arcadia.....	28	Eveleth.....	50	Cortland.....	100
Bernice.....	18	Fergus Falls.....	85	Freeport.....	100
Donaldsonville.....	60	Hibbing.....	45	New York.....	22, 955
Erath.....	20	Minneapolis.....	816	North Tarrytown.....	60
Farmerville.....	20	St. Paul.....	742	Syracuse.....	319
		South St. Paul.....	75	Watervliet.....	90
		Total (8).....	2, 129	Yonkers.....	335
		MISSISSIPPI		Total (10).....	26, 200
		Aberdeen.....	110		
		Belmont, Mississippi Regional Housing Authority No. 1.....	32	NORTH CAROLINA	
		Corinth.....	120	Asheville.....	238
		Gloster, Housing Authority, Brookhaven.....	54	Concord.....	150
		Hernando.....	20	Durham.....	113
		Holly Springs.....	30	Greensboro.....	236
		Houlka, Mississippi Regional Housing Authority No. 1.....	10	High Point.....	200
		Iuka.....	32	Jacksonville, eastern Carolina.....	50
		Laurel.....	176	Laurinburg.....	52
		Meridian.....	100	Raleigh.....	300
		Newton.....	62	Wayne County, Eastern Carolina Regional Housing Authority.....	45
		Okolona.....	50	Winston-Salem.....	293
		Rienzi, Mississippi Regional Housing Authority No. 1.....	6	Total (10).....	1, 677
		Saltillo, Mississippi Regional Housing Authority No. 1.....	12		
		Shannon, Mississippi Regional Housing Authority No. 1.....	16	NORTH DAKOTA	
				South West Fargo, Housing Authority of Cass County.....	24
				Williston.....	76
				Total (2).....	100

OHIO

Canton	350
Cincinnati	1,896
Cleveland	4,608
Columbus	1,676
Dayton	1,500
Elyria-Lorain Metropolitan Housing Authority	100
Hamilton	150
Lorain	185
New Boston-Portsmouth Metropolitan Housing Authority	110
Portsmouth	190
Steubenville	250
Warren	125
Youngstown	631
Total (13)	11,769

OREGON

Athena, Housing Authority Umatilla County	15
Hermiston, Housing Authority Umatilla County	8
Newport area, Housing Authority, Lincoln County	5
Reedsport, Housing Authority Douglas County	1
Sutherlin, Housing Authority, Douglas County	25
Total (5)	54

PENNSYLVANIA

Aliquippa, Housing Authority Beaver County	75
Ambridge, Housing Authority Beaver County	50
Bentleyville, Housing Authority Washington County	60
Burgettstown, Housing Authority Washington County	30
Canonsburg, Housing Authority Washington County	168
Canton Township, Housing Authority Washington County	100
Chester	10
Connellsville	25
Easton	72
East Pittsburgh, Housing Authority Allegheny County	100
Ellwood City, Housing Authority Lawrence County	100
Glassport, Housing Authority Allegheny County	65
Harrisburg	165
Johnstown	450
McKeesport	302
McKees Rocks, Housing Authority Allegheny County	4
New Castle, Housing Authority Lawrence County	300
Philadelphia	5,393
Pittsburgh	2,451
Pottstown, Housing Authority Montgomery County	100
Reading	102
Robinson Township, Housing Authority Allegheny County	50
Sharon, Housing Authority Mercer County	100
Smith Township, Housing Authority Washington County	60
South Fayette Township, Housing Authority Allegheny County	150
York	158
Total (26)	10,640

PUERTO RICO

Adjuntas, Puerto Rico Housing Authority	150
Aguada, Puerto Rico Housing Authority	100
Aguadilla, Puerto Rico Housing Authority	200
Do	100
Aguas Buenas, Puerto Rico Housing Authority	74

Arecibo, Puerto Rico Housing Authority	100
Barceloneta, Puerto Rico Housing Authority	1
Barranquitas, Puerto Rico Housing Authority	120
Bayamon, Puerto Rico Housing Authority	300
Do	100
Caguas, Puerto Rico Housing Authority	258
Do	236
Do	106
Camuy, Puerto Rico Housing Authority	1
Catano, Puerto Rico Housing Authority	300
Cayey, Puerto Rico Housing Authority	200
Ciales, Puerto Rico Housing Authority	60
Cidra, Puerto Rico Housing Authority	125
Coamo, Puerto Rico Housing Authority	120
Corozal, Puerto Rico Housing Authority	100
Dorado, Puerto Rico Housing Authority	2
Fajardo, Puerto Rico Housing Authority	160
Do	100
Guanica, Puerto Rico Housing Authority	200
Guayama, Puerto Rico Housing Authority	240
Do	100
Guayanilla, Puerto Rico Housing Authority	120
Guaynabo, Puerto Rico Housing Authority	80
Gurabo, Puerto Rico Housing Authority	100
Hormigueros, Puerto Rico Housing Authority	64
Humacao, Puerto Rico Housing Authority	200
Do	100
Jayuya, Puerto Rico Housing Authority	100
Juana Diaz, Puerto Rico Housing Authority	100
Juncos, Puerto Rico Housing Authority	200
Lajas, Puerto Rico Housing Authority	80
Las Piedras, Puerto Rico Housing Authority	100
Lolza, Puerto Rico Housing Authority	1
Loiza Aldea, Puerto Rico Housing Authority	50
Luquillo, Puerto Rico Housing Authority	60
Mameyes II Palmer, Puerto Rico Housing Authority	50
Manati, Puerto Rico Housing Authority	180
Do	100
Maricao, Puerto Rico Housing Authority	30
Maunabo Town, Puerto Rico Housing Authority	50
Mayaguez	350
Do	120
Moca, Puerto Rico Housing Authority	1
Morovis, Puerto Rico Housing Authority	68
Naranjito, Puerto Rico Housing Authority	80
Orocovis, Puerto Rico Housing Authority	70
Patillas, Puerto Rico Housing Authority	70
Penuelas, Puerto Rico Housing Authority	70
Ponce	6
Do	500
Do	498

Quebradillas, Puerto Rico Housing Authority	100
Rincon, Puerto Rico Housing Authority	75
Salinas, Puerto Rico Housing Authority	100
San German, Puerto Rico Housing Authority	150
San Juan, Municipal Housing Authority of Capital	40
Do	2,000
Do	170
San Sebastian, Puerto Rico Housing Authority	150
Trujillo Alto, Puerto Rico Housing Authority	50
Villalba, Puerto Rico Housing Authority	60
Total (65)	10,044

RHODE ISLAND

Providence	442
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SOUTH CAROLINA

Bennettsville	65
Central, South Carolina Regional Housing Authority	24
Charleston	557
Clover, South Carolina Regional Housing Authority	46
Duncan, South Carolina Regional Housing Authority	10
Fort Mill, South Carolina Regional Housing Authority	28
Liberty, South Carolina Regional Housing Authority	26
Walhalla, South Carolina Regional Housing Authority	76
Winnsboro, South Carolina Regional Housing Authority	68
Total (9)	900

TENNESSEE

Chattanooga	192
Clarksville	100
Dyersburg	155
Englewood, Housing Authority, Athens	18
Etowah	4
Gallatin	100
Humboldt	120
Knoxville	706
La Follette	6
Lynchburg, Housing Authority, Fayetteville	18
Manchester	20
Memphis	392
Paris	64
Waverly	38
Total (14)	1,933

TEXAS

Anson	30
Ballinger	7
Benjamin	10
Bogata	10
Bryan	110
Cameron	50
Celeste	10
Chillicothe	10
Crystal City	23
De Kalb	20
De Leon	10
Del Rio	150
Deport	10
Electra	27
Fort Worth	200
Gonzales	20
Hamilton	20
Henrietta	10
Hico	16
Honey Grove	8
Hughes Springs	20
Kenedy	40
Kingsville	8
Laredo	300
Linden	16

Ore City.....	10
Piano.....	20
Port Arthur.....	132
Princeton.....	10
Rochester.....	10
Rockwall.....	10
San Antonio.....	455
San Marcos.....	30
Smiley.....	12
Terrell.....	140
Texarkana.....	125
Texas City.....	40
Trenton.....	8
Van Alstyne.....	20
Velasco.....	25
Victoria.....	122
Waco.....	400
White Settlement.....	100
Total (43).....	2,809

VIRGINIA

Alexandria.....	56
Danville.....	250
Richmond.....	894
Roanoke.....	300

Total (4)..... 1,500

VIRGIN ISLANDS

St. Croix, Virgin Islands Housing.....	70
Virgin Islands Housing and Redevelopment.....	150

Total (2)..... 220

WASHINGTON

Aberdeen, Housing Authority of Grays Harbor County.....	54
Auburn, Housing Authority, King County.....	60
Grand Coulee, Housing Authority, Grant County.....	9
Hoquiam, Housing Authority, Grays Harbor County.....	10
Renton.....	100
Rosalia.....	10
Soap Lake Housing Authority, Grant County.....	4
Vancouver.....	300

Total (8)..... 547

WEST VIRGINIA

Huntington.....	500
Morgantown.....	170
Wheeling.....	38

Total (3)..... 708

WISCONSIN

Milwaukee.....	1,363
Superior.....	200

Total (2)..... 1,563

Mr. SALTONSTALL. Mr. President, I know it is the desire of Members to go home but I should like to answer briefly my friend from Alabama.

The language in this report does not end public housing, in my opinion, or in the opinion of the conferees. The Senate conferees were in favor of a continuation of public housing. The original public housing program calls for 135,000 units. A year ago President Truman sent up a recommendation for 75,000 houses. The House bill provided for no public housing. There were 35,000 houses included in conference. The House put in none; the Senate put in 35,000, and the conferees agreed on 20,000, with the language which has been read from the conference report.

At approximately June 30 there were under construction, but not completed,

75,754 units. Approximately 62,000 additional houses were needed. In other words, 75,000 houses were being built and 62,000 houses more were needed. There were binding contracts, but no construction was started because there was no money.

Mr. President, the process has been described as being like a coffeegrinder. That is the best description that was given. At the present time there are 75,000 houses going through the coffeegrinder. There are 62,000 houses above the coffeegrinder, waiting to be built. They are legally contracted for. In addition to that, there is a program for 120,000 more.

What the committee is attempting to do is this: 20,000 houses are going to be built this year. The conference report says that there shall be no contracts let by the Commission until after next February 1, when the President makes a report to the Senate and to the House Appropriations Committees with recommendations for the future.

The law has not been changed in any way. There is money appropriated for 20,000 houses. What is the result? When a law is on the books the President can submit his recommendations for 35,000 houses or 20,000 houses or any number he wants, and if the Senate and House agree, new contracts can be started, and another group of 20,000 can go through the coffeegrinder to be constructed. It requires a message from the President. It can be handled by a bill or on motion, either in the House or in the Senate.

There is no language in the bill, in my opinion and in the opinion of the Senate conferees who are in favor of housing, to end housing. Twenty thousand houses are to be built this year, but no new contracts are to be signed until after next February. In the meantime, 42,000 more houses are legally contracted for and must be built unless the law is repealed. They would come ahead of any new contracts. That is what the language means.

Mr. MAGNUSON. Mr. President, will the Senator from Massachusetts yield?

Mr. SALTONSTALL. I yield.

Mr. MAGNUSON. Mr. President, I have received so many communications on behalf of housing and in connection with the Interstate Commerce Commission's safety work that I ask unanimous consent to place them in the RECORD at this point, so as not to further take the time of the Senate.

There being no objection, the communications were ordered to be printed in the RECORD, as follows:

NEWS RELEASE OF INTERNATIONAL BROTHERHOOD OF TEAMSTERS, CHAUFFEURS, WAREHOUSEMEN, AND HELPERS OF AMERICA, JULY 21, 1953

Elimination of safety inspection of interstate motor carriers by the Interstate Commerce Commission, as called for in the conference report of the first independent offices appropriation bill, was condemned today by Dave Beck, general president of the International Brotherhood of Teamsters, as "vote-trading with pressure groups in cynical disregard of human lives and highway safety."

Beck denounced the language of the conference report which, he said, scuttles "one

of the most vital functions of the Motor Carrier Bureau of the ICC, that of safety regulation of interstate motor carriers under the pretext that it is unimportant."

The conference report requires, if approved by Congress as written, that "the \$1,793,157 request for work relating to safety and field in the Bureau of Motor Carriers be distributed to other work of the Commission which is regarded as of greater importance than such safety and field work."

The various States do not have responsibility or jurisdiction for maintaining safety standards of interstate carriers, Beck pointed out. If, through the ICC appropriations bill, motor-carrier inspection by the ICC is canceled out, "chaotic and dangerous highway conditions will have been deliberately created by Congress," it is charged by the head of the powerful Teamsters Union whose members drive most of the Nation's trucks.

Beck reminded Representative JOHN PHILLIPS, Republican, of California, leader of the attack against the ICC safety-inspection program, that "although responsible, first-class trucking concerns maintain high safety standards on their own, the effect of killing ICC safety inspection would be to unleash on the highways the death-dealing ramshackle equipment of gypsy and fly-by-night operators."

In urging continuation of the ICC safety-inspection program, Beck, as spokesman for the International Brotherhood of Teamsters, joins with other highway-transportation groups, including the American Trucking Associations, Automotive Manufacturers Association, American Automobile Association, National Association of Motor Bus Operators, and Truck Trailer Manufacturers Association.

Previous to the move by joint conferees to wipe out the ICC field-inspection service, Beck has been critical of the inadequacy of ICC safety inspection due to limited funds and staff provided by Congress.

Beck today called upon House and Senate Members to "vote down, in the name of sanity and humanity, the outrageous attempt to destroy Federal safety regulation, regardless of cost in human lives."

WASHINGTON, D. C., July 20, 1953.

Senator WARREN G. MAGNUSON,
United States Senate,

Washington, D. C.:

Conference report on H. R. 4663, independent offices appropriations, prohibits any expenditures of safety and field work, Bureau of Motor Carriers, Interstate Commerce Commission. For all practical purposes this ends all enforcement of part 2, Interstate Commerce Act. Most important adoption of House version of report by conferees wipes out safety regulation conceded by 40 States to be vital factor in reducing highway death toll which amounted to 38,000 last year. We urge that something be done to remove this prohibition placed on this humanitarian undertaking and that Senate report prevail.

JOHN V. LAWRENCE,
American Trucking Associations,
Inc.

SEATTLE, WASH., July 24, 1953.

WARREN G. MAGNUSON,
Senate Office Building,
Washington, D. C.:

Port of Seattle Commission is much concerned on conference report of House bill 4663 (independent offices appropriations) prohibiting any expenditure by ICC on safety and field work. This would mean abolition of field offices and for all practical purposes the end of enforcement of the Interstate Commerce Act. Seattle and other Puget Sound ports compete with Portland for cargo from eastern Washington points. Generally speaking intrastate rates regulated by Washington Department of Public Service from eastern Washington to Puget Sound

ports are identical with published interstate rates from eastern Washington points to Portland, Oreg., which rates are regulated by ICC. With no enforcement by ICC, irresponsible truck operators would charge less in order to get business on cargo from eastern Washington to Portland than the Washington State regulated charge from eastern Washington points to Puget Sound ports. This would also work very much to the disadvantage of merchants in the Puget Sound area doing business with eastern Washington since Portland merchants could have cheaper undercover freight rates with no enforcement by the ICC.

C. H. CARLANDER,
Vice President, Board of Seattle
Commission.

GOODWIN MOVING & STORAGE CO.,

Spokane, Wash., July 22, 1953.

The Honorable WARREN G. MAGNUSON,
Senate Office Building,
Washington, D. C.

DEAR SIR: We have just been advised that the conference report on House Report 4663 prohibits any expenditure by ICC on safety and field work.

Do you realize what this would mean to our industry? It would mean the abolition of the field offices, and for all practical purposes the end of enforcement of the Interstate Commerce Act. This would be chaotic as it would bring to an end the ICC safety program at a time when our traffic death tolls is in excess of 38,000 per year.

This could make an upheaval in our industry as it would leave us in the same state of confusion that existed prior to Federal regulation to the Motor Carrier Act.

We, as one small operator, are very much concerned in this and we urge you to protest the adoption of the House report. We are also calling for sufficient appropriation to enable the ICC to adequately perform its enforcement duties.

Yours very truly,

J. H. GOODWIN,
General Manager.

THE CATER TRANSFER & STORAGE CO.,

Spokane, Wash., July 22, 1953.

Mr. WARREN MAGNUSON,
United States Senate,
Washington, D. C.

DEAR SENATOR MAGNUSON: It has come to our attention that House bill Report No. 4463 is being considered by both Houses of Congress and pertains to the curtailment of the appropriation for the Interstate Commerce Commission.

It is our feeling and the feeling of the entire industry that the Interstate Commerce Commission is very important to the Trucking Industry, in that it does stabilize rates and the safety regulations as regulated by the ICC, is very important not only to the industry but to the general public in the elimination of accidents and deaths on the highway.

May we urge you to oppose this report and seek ample appropriation to carry on the good work of the ICC.

Very truly yours,

R. O. DANIELSON,
Manager.

WASHINGTON, D. C., July 23, 1953.

HON. WARREN G. MAGNUSON,
Senate Office Building,
Washington, D. C.:

Action of conferees on independent offices appropriation bill (H. R. 4663) limiting construction of low-rent public housing during this fiscal year to only 20,000 units from existing contracts and prohibiting the Public Housing Administration from executing any additional loan and contribution contracts amounts to liquidation of the low-rent public housing program. Such action means

outright killing of a vitally needed basic program without as much as a hearing. It would end all hope of low-income slum dwellers to obtain decent housing for themselves and their children. Sweeping legislative action of this kind should not be taken without hearings and consideration by the proper congressional committees. The American Federation of Labor strongly urges the Senate to reject the conference report nullifying the original Senate action. Urge you do everything possible to assure authorization of the minimum 20,000 units with the original Senate language which would permit 20,000 new loan and annual contribution contracts during this fiscal year, thereby keeping the low-rent public housing program alive.

WILLIAM F. SCHNITZLER,
Secretary-Treasurer,
American Federation of Labor.

Mr. LEHMAN. Mr. President, will the Senator from Massachusetts yield?

Mr. SALTONSTALL. I yield.

Mr. LEHMAN. I want to thank the Senator from Massachusetts, and I think he has chosen a very wise way of handling the matter, but I desire to say that the provision which now appears in the appropriation bill seems to lead to a liquidation of the program. Nothing can be done after the 20,000 units are constructed and have gone through the coffee grinder to which the Senator from Massachusetts has referred.

The Public Housing Administrator is to make a report to the Congress of the United States giving his recommendations. I think we might just as well understand that unless we have a very definite statement of policy in the appropriation bill and do not depend on the good will of the Public Housing Administrator, we may well be perfectly honest and frank with ourselves and say that this is the end of the program, because the Public Housing Administrator, as a matter of record, is now opposed to public housing as he was when he was a Member of the House of Representatives for several years. The Senator from Massachusetts may remember that I opposed the confirmation of the nomination of the Public Housing Administrator when it came before the Senate.

So I shall ask the Senator from Massachusetts, when he goes to conference, to fight for a clear definition, to make sure that it does not mean the end of our public-housing program.

I am afraid that unless he does so, and the Senate acquiesces in the next report that comes to us, we might just as well say goodbye to any public housing program for men and women of small or moderate means. I cannot make my feeling more definite than by again asking the Senator to take the matter to conference, with a determination that there shall be written into the law, into the appropriation bill, an adequate statement that it will not mean the end of public housing, and that Congress does not intend to depend on the good will of the Administrator of Housing and Home Finance.

Mr. JOHNSTON of South Carolina. Mr. President, will the Senator yield?

Mr. SALTONSTALL. I yield.

Mr. JOHNSTON of South Carolina. I certainly am pleased with the way in which the Senator from Massachusetts

has discussed the matter so freely in the Senate. I do not believe any Senator would desire it to be understood, when the report is recommitted, that any reflection has been cast upon the Senator from Massachusetts. If there is any Senator for whom I have deep respect, it is the senior Senator from Massachusetts.

Mr. President, since I have received many telegrams and letters concerning the Interstate Commerce Commission matter, I ask unanimous consent to have a number of them printed in the RECORD together with a brief statement by me.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR JOHNSTON OF SOUTH CAROLINA

There have been numerous indications throughout the first session of this 83d Congress that this administration was "penny-wise and pound-foolish." But, in my opinion, no action has been taken which dramatizes that fact more sharply than the action taken by the conferees on the first independent offices bill. That action would prohibit any expenditures of funds on safety and field work by the Bureau of Motor Carriers of the Interstate Commerce Commission.

Is money that dear to this administration? Are its leaders that insensitive to the heavy toll of highway deaths and injured which we mark up every year?

Compare our highway casualties, if you please, with our casualties in Korea. Korean casualties as of midnight July 17, 1953, include 24,965 dead, 101,368 wounded, making a grim total of 126,333. Highway casualty figures for the same period, ending as of midnight May 31, 1953, reveal that 105,000 of our citizens died as a result of highway accidents. The number of persons injured on the highways during the same period, the figures reveal, were 3,780,000. The grim total was 3,885,000—nearly 4 million Americans killed or injured on our highways since June of 1950. The Korean war, with all of its danger and destruction, accounted for only one-fourth that number.

Mr. President, in 1952 alone 38,000 Americans lost their lives on the highways of this Nation. One million, three hundred and fifty thousand were injured or maimed for life.

In my own State of South Carolina—where the Bureau of Motor Carriers have done such fine work—2,227 of our people were killed between July 1, 1950 and May 1, 1953, and over 80,000 were injured. Think what those figures might have been, think of the heartbroken families, think of the broken homes, if the Bureau of Motor Carriers of the Interstate Commerce Commission had not been constantly on the job.

The information I have is that the conferees of the House were of the opinion that the activities of the Safety Section, Bureau of Motor Carriers, of the Interstate Commerce Commission were duplicated by the States. That is an erroneous view, and the Senate was so advised only yesterday by the distinguished Senator from Oregon, [Mr. MORSE] and the able Senator from Idaho [Mr. WELKER]. The matter is of such importance touching upon the lives of millions of Americans who use our public highways daily, that I would like to place in the body of the RECORD at this point a brief outline of the activities of the Safety Section, Bureau of Motor Carriers, of the Interstate Commerce Commission. This statement is designed to show just how these activities are not duplicated by the States.

ACTIVITIES OF SAFETY SECTION, BUREAU OF
MOTOR CARRIERS OF THE INTERSTATE COM-
MERCE COMMISSION NOT DUPLICATED BY
STATES

PRELIMINARY STATEMENT

Safety inspectors of the Interstate Commerce Commission do not have police power. They do not patrol highways. They make road checks of equipment only in cooperation with State highway police. These road checks are detailed inspections of motor carrier equipment in far greater detail than State highway police undertake at any time. State highway police are primarily concerned with motor carrier compliance with the individual State laws as to size and weight of vehicles.

Through the Interstate Commerce Commission has been promulgated a set of safety rules and regulations which has been uniform in application throughout the United States and the District of Columbia. The Interstate Commerce Commission is the only agency which has nationwide jurisdiction over motor carriers in the matter of compliance with such rules and regulations. Those safety regulations are set forth in six parts as listed below:

1. Qualifications of drivers.
2. Drivers of motor vehicles.
3. Parts and accessories necessary for safe operation.
4. Reporting of accidents.
5. Hours of service of drivers.
6. Inspection and maintenance.

SPECIFIC ACTIVITIES NOT DUPLICATED BY STATES

1. Control of hours of operation of drivers: No State has jurisdiction over the driver of a motor carrier licensed in that State once he crosses the State line. Without Interstate Commerce Commission regulations, a driver could continue to operate the motor vehicle, once across that State line, for an indefinite period, endangering not only his own life, but those of other highway users.

2. Uniform regulations with respect to motor-carrier equipment: The laws of the States vary considerably with respect to the equipment, parts, and accessories required for the operation of motor trucks. Some are adequate; some wholly inadequate. The Interstate Commerce Commission, having jurisdiction over common and contract carriers, as well as private carriers in interstate commerce, has set forth regulations and requirements providing for uniform minimum equipment, parts, and accessories over which they have jurisdiction. Their inspection of motor vehicles is much more detailed than that of the State police.

3. Central reporting of accidents in interstate commerce: Interstate Commerce Commission rules require a report of any accident to a vehicle engaged in interstate commerce no matter where such accident takes place. In this way a comprehensive knowledge of the driving record of the various drivers is assured. If this activity were discontinued, a driver domiciled, for example, in Rhode Island, could have accidents all over the United States without the only agency then having jurisdiction over him knowing anything about it.

4. Inspection of motor carrier activities at terminals: Interstate Commerce Commission requires a complete inspection of carrier operations at the terminal. This includes an evaluation of the carrier's safety practices, instruction of drivers in safety matters, reporting hours of service, inspection of required physical examination records, evaluation of preventive equipment-maintenance operation, and detailed inspection of vehicles in terminal at time of inspection. No State makes inspections of this sort.

In connection with this work, Interstate Commerce Commission safety inspectors do a great amount of safety instruction of both

drivers and carriers in proper safety practices.

5. Rules and regulations for an inspection of carriers hauling explosives in interstate commerce: Very few States have separate requirements or regulations covering carriers hauling explosives. The Interstate Commerce Commission has a complete, separate, set of regulations for this type of commerce. In addition, before a carrier is granted a permit to haul explosives in interstate commerce, Interstate Commerce Commission rules require that a complete terminal inspection be made by an Interstate Commerce Commission safety inspector, in the field, a report forwarded to Washington for comparison with previous records on the carrier, and an evaluation of the complete record and favorable recommendations made to the Commission before the permit may be granted.

6. Liaison with manufacturers for truck and bus equipment: The Interstate Commerce Commission is the only agency which has liaison on a nationwide basis with manufacturers of truck and bus equipment on all matters pertaining to the design of vehicles and deficiencies thereof which have been revealed by Interstate Commerce Commission study of accident reports from throughout the Nation. As a specific example, we cite the case of a certain bus manufacturer. Accident reports revealed that in all cases of a bus of this particular make overturning the top of the bus was torn off. A careful inspection of those busses by the manufacturer and the Interstate Commerce Commission revealed deficiencies in design of top struts and supports. The manufacturer subsequently redesigned the tops and corrected the deficiencies.

Mr. SALTONSTALL. In view of the fact that the bill is going to be returned for further conference, we will try to bring out something helpful.

Mr. SMATHERS. Mr. President, will the Senator yield?

Mr. SALTONSTALL. I yield to the Senator from Florida.

Mr. SMATHERS. I was unavoidably called from the floor at the time the question was under discussion. Since my return I understand the Senator from Massachusetts, on his own motion, has moved that the entire conference report be recommitted, and has said he will take the position that the \$1,793,000 which had been taken away from the safety field division will be restored to that division.

Mr. SALTONSTALL. That is the clear intention of the Senate.

Mr. SMATHERS. That is the intention of the Senate. I wish to congratulate the Senator.

Mr. President, I ask unanimous consent to have printed in the RECORD certain telegrams which I have received concerning the matter.

There being no objection, the telegrams were ordered to be printed in the RECORD, as follows:

MIAMI, FLA., July 21, 1953.

GEORGE SMATHERS,

Senate Building, Washington, D. C.:

It is very important to trucking industry that you check report from the conference committee on appropriations concerning the Interstate Commerce Commission. We feel that if field offices of Interstate Commerce Commission are closed it will mean the end of regulated carriers. Please assist us in deleting this portion from the conference committee report.

KERMYT W. CALLAHAN,

Withers Van Lines.

MIAMI, FLA., July 21, 1953.

Senator GEORGE SMATHERS,
Senate Office Building,

Washington, D. C.:

Of vital importance to trucking industry that report from conference committee on appropriation concerning Interstate Commerce Commission be checked. If field offices of Interstate Commerce Commission are closed it will be a death blow to regulated carriers. We beg your assistance to delete this portion from conference committee report.

ARMON "BUD" LEONARD,
Leonard Bros. Transfer & Storage
Co., Chairman, Specialized and
Heavy Haulers Division, Florida
Trucking Association.

TAMPA, FLA., July 22, 1953.

Hon. GEORGE SMATHERS,
Senate Office Building,

Washington, D. C.:

We understand that proposed appropriations for ICC will not include money for motor carrier safety work and ICC field representatives. The elimination of these activities will seriously hamper proper operation of motor carriers and we urge that you support full appropriations for these activities.

SAFETY TRANSPORTATION CORP.,
CURRIE B. WITT,
D. J. HANLEY.

TAMPA, FLA., July 22, 1953.

Hon. GEORGE M. SMATHERS,
United States Senate,

Washington, D. C.:

Very vital to all regulated carriers that ICC safety work and field force be continued.

HUNT TRUCK LINES.

TAMPA, FLA., July 22, 1953.

Senator GEORGE SMATHERS,
Senate Office Building,

Washington, D. C.:

Have learned that proposed appropriation for Interstate Commerce Commission does not provide money for field force or motor carrier safety work. Our company and other regulated motor carriers will be seriously harmed if the work of the ICC field forces and safety forces are discontinued. Will greatly appreciate your support in getting conference committee's report recommitted and to have appropriation restored.

CENTRAL TRUCK LINES, INC.,
J. F. SMALLEY.

WINTERHAVEN, FLA., July 22, 1953.

Senator GEORGE SMATHERS,
Senate Office Building,

Washington, D. C.:

It has just been brought to our attention that the proposed appropriation for the ICC does not provide funds for the field force—which, incidentally, is of great value to everyone traversing the highways—and as a result will curtail the safety work that is done by the ICC. Both of these are a must in the appropriation. Any curtailment in the above will be very serious if this work is discontinued. We will appreciate your full support in seeing that there is no curtailment or reduction of these funds but rather an increased amount for this most worthy program.

CAROLINA SOUTHERN MOTOR
EXPRESS, INC.,
F. L. MCNEER.
L. A. MCNEER.
W. F. LAWLESS.

Mr. COOPER. Mr. President, will the Senator yield?

Mr. SALTONSTALL. I yield.

Mr. COOPER. I believe the Senator from Massachusetts will remember that it was charged by many persons that one

of the purposes of this administration was the destruction of the public housing program. The President of the United States has said that charge is not true.

I was one of those who voted against the confirmation of the nomination of Mr. Cole to be Administrator of Public Housing because of his attitude toward public housing in the House of Representatives. However, I must say that, according to all my information he is absolutely objective in his approach to public housing.

I believe there is a great deal of misunderstanding about the housing provision amendment in the report. It is being construed by a great many Members of Congress as a determination on the part of the conferees to bring about the death of public housing. I would agree with other Senators who have spoken that the conferees should make it clear in their next report that such is not the fact.

Mr. SALTONSTALL. I thank the Senator.

Mr. MURRAY. Mr. President, will the Senator from Massachusetts yield?
Mr. SALTONSTALL. I yield.

Mr. MURRAY. Together with other Senators, I have the highest respect and confidence in the ability of the senior Senator from Massachusetts to handle the matter. I am confident that, as a result of his efforts, it will be cleared up.

I have received a great many telegrams from my State, including one from the Governor of Montana, and also a statement which was published in the press in Washington by the Independent Advisory Committee to the Trucking Industry, Inc. I ask unanimous consent that these matters may be printed in the RECORD.

There being no objection, the matters were ordered to be printed in the RECORD, as follows:

HELENA, MONT., July 22, 1953.

HON. JAMES E. MURRAY,
United States Senate:

Respectfully urge you join in protesting abandonment of ICC field offices.

J. HUGO ARONSON,
Governor of Montana.

BILLINGS, MONT., July 22, 1953.

HON. JAMES E. MURRAY,
Senate Office Building,
Washington, D. C.:

Urgently request you vote against adoption of H. R. 4663, which would eliminate Montana office, Bureau of Motor Carriers. This bill prohibits expenditures on safety and field work, Interstate Commerce Commission, and ends enforcement of part II, Interstate Commerce Act, leaving Montana without representative of Commission which will be harmful to motor-carrier industry and shippers.

L. W. ECKEL,
Managing Director, Montana Motor
Transport Association.

BILLINGS, MONT., July 22, 1953.

The Honorable JAMES MURRAY,
United States Senate,
Washington, D. C.:

Independent departments appropriations bill for fiscal year 1954, if passed by the Senate as recommended by the joint Senate-House conference, and passed by House yesterday, will leave Montana without any Interstate Commerce Commission field of-

fice and thereby work a hardship on Montana shippers and carriers who will be required to take all their business to the Commission's Washington office. Urge your support in providing Interstate Commerce Commission necessary funds to continue their field work.

N. EARLY,
Billings Traffic Bureau.

LAUREL, MONT., July 22, 1953.

HON. JAMES E. MURRAY,
Senate Office Building,
Washington, D. C.:

As a part of Montana's second largest industry, I urgently request you to vote against the adoption of H. R. 4663, which would eliminate the Montana office of the bureau of motor carriers, leaving our great State without a representative of the Commission, which would be most harmful not only to the motor carrier industry and shippers but to the public at large. This bill would drastically curtail expenditures on safety as well as the field work of the Interstate Commerce Commission and ends the enforcement of part II of Interstate Commerce Act in Montana. As one who firmly believes in greater efficiency in Government agencies, I am convinced that the passage of this bill would fall short of accomplishing that end.

L. WAYNE HAGEMAN,
Owner, Hageman Transport Co.

MILES CITY, MONT., July 22, 1953.

Senator JAMES MURRAY,
Senate Office Building,
Washington, D. C.:

Strongly urge defeat of H. R. 4663. ICC safety and field offices extremely important to welfare of trucking industry.

BALSAM & DEFANCE,
E. G. BALSAM.

BILLINGS, MONT., July 22, 1953.

HON. JAMES E. MURRAY,
Senate Office Building,
Washington, D. C.:

Urgently request you vote against adoption of H. R. 4663, which would eliminate Montana office, Bureau of Motor Carriers. This bill prohibits expenditures on safety and fieldwork, Interstate Commerce Commission, and ends enforcement of part II, Interstate Commerce Act, leaving Montana without representative of Commission, which will be harmful to motor-carrier industry and shippers.

A. C. HOUCK,
Houck Transport Co.

BILLINGS, MONT., July 22, 1953.

Senator JAMES MURRAY,
Senate Office Building,
Washington, D. C.:

We urgently request you vote against adoption of H. R. 4663, which would eliminate Montana office, Bureau of Motor Carriers. This bill prohibits expenditures on safety and fieldwork of ICC and ends enforcement of part II, ICC Act, leaving Montana without representation of Commission, which will be harmful to motor-carrier industry and shippers.

J. J. CUMISKEY, General Manager.
H. F. JOHNSON, Inc.,

BILLINGS, MONT., July 22, 1953.

JAMES E. MURRAY,
Senate Office Building,
Washington, D. C.:

Urgently request you vote against adoption of H. R. 4633, which would eliminate Montana office, Bureau of Motor Carriers. This bill prohibits expenditures of safety and fieldwork, Interstate Commerce Commission, and ends enforcement of part II of Interstate Commerce Act, leaving Montana without representative of Commission, which will be harmful to motor-carrier industry and shippers.

E. L. JONES,
Owner, E. L. Jones, Inc.

BILLINGS, MONT., July 22, 1953.

HON. JAMES E. MURRAY,
Senate Office Building,
Washington, D. C.:

Urgently request you vote against adoption of H. R. 4663, which would eliminate Montana office, Bureau of Motor Carriers. This bill prohibits expenditures on safety and fieldwork. Interstate Commerce Commission, and ends enforcement of part II, Interstate Commerce Act, leaving Montana without representative of Commission, which will be harmful to motor-carrier industry and shippers.

BILL PALMER,
President, Montana Motor Transport Co.

BILLINGS, MONT., July 23, 1953.

HON. JAMES E. MURRAY,
Senate Office Building,
Washington, D. C.:

Urgently request you vote against adoption of H. R. 4663, which would eliminate Montana office, Bureau of Motor Carriers. This bill prohibits expenditures on safety and fieldwork. Interstate Commerce Commission, and ends enforcement of part II, Interstate Commerce Act, leaving Montana without representative of Commission which will be harmful to motor-carrier industry and shippers.

CONSOLIDATED FREIGHTWAYS.

[From the Washington Post of July 22, 1953]
MEMBERS OF CONGRESS: PUBLIC SAFETY IS IN
YOUR HANDS

The conference report on H. R. 4663—which prohibits any expenditures on safety and field work by the Bureau of Motor Carriers, Interstate Commerce Commission—ends all enforcement of part 2, the Interstate Commerce Act.

Most important, the adoption of the House version of the report by the conferees wipes out the safety regulation conceded by 40 States to have been the vital factor in reducing our highway death toll, which amounted to 38,000 persons in 1952.

We urge that the Congress—in the interest of public safety—vote against the crippling of this great safety effort as called for by the conference report on H. R. 4663 and accept the Senate report.

Acceptance of the conference report can definitely be expected to increase the death toll on our highways.

Signed by Independent Advisory Committee to the Trucking Industry, Inc.: Dave Beck, chairman (general president, International Brotherhood of Teamsters); Walter F. Carey, director (president, American Trucking Associations, Inc.); Roy Fruehauf, director (president, Fruehauf Trailer Co.); B. M. Seymour, director (president, Associated Transport, Inc.).

WASHINGTON, D. C.

Mr. ELLENDER. Mr. President, will the Senator yield?

Mr. SALTONSTALL. I yield.

Mr. ELLENDER. I am sorry I was not here to participate in the debate on this important subject since its inception. I was occupied before the Senate Appropriation Committee. I wish to state that I am in thorough agreement with the statement made by the distinguished Senator from Massachusetts. He is to be commended for the position that he has taken. The language contained in the House bill as it came to the Senate made no provision for housing. There was language to stop the building of housing units already contracted for. As the chairman of the conference will no doubt recall that language was stricken out upon the insistence of the Senate conferees and the language now in the bill was substituted therefor. As

I understood from all of the discussion on the subject the language substituted simply meant that no new contracts could be entered into, but that of 63,000 units already contracted for, 20,000 would be built. In the meantime, a thorough study of the whole problem would be made by Mr. Cole, the Housing and Home Finance Administrator, with a view of submitting his study to the Congress as well as the Committee on Appropriations, early next year.

Mr. President, I wish to express my keen disappointment respecting the House debate as quoted by the junior Senator from Alabama [Mr. SPARKMAN], when he quoted Representatives PHILLIPS and THOMAS as saying that this action meant the end of public housing.

As a matter of fact, as was stated by the Senator from Massachusetts, our whole discussion revolved around the effect of the language agreed upon. The Senate conferees contended that the language meant a delay in the execution of future contracts. It was agreed by the conferees on the part of the House of Representatives that the language did not mean the end of housing. It was understood that a further study of the problem should be made and that in the meantime at least 20,000 units of the housing already contracted for would be built.

Mr. SALTONSTALL. That is the understanding. I thank the Senator.

Mr. IVES. Mr. President, will the Senator from Massachusetts yield?

Mr. SALTONSTALL. I yield.

Mr. IVES. Would it not be possible to include in the final report language in accordance with the suggestion or statement made by the Senator from Louisiana?

Mr. SALTONSTALL. I feel very strongly that the definite purpose should be to set that forth in the report, or some report, to be issued by the conferees.

Mr. ELLENDER. The difficulty with that is that the Senate never makes reports as is the case with the House.

Mr. KEFAUVER. Mr. President, will the Senator yield?

Mr. SALTONSTALL. I yield.

Mr. KEFAUVER. In addition to the language in the conference report, the motion of Mr. PHILLIPS at page 9591 of the RECORD of last Tuesday, July 21, as interpreted, would seem to contemplate terminating the program after 20,000 houses had been built.

I thoroughly agree with the distinguished Senator from Alabama [Mr. SPARKMAN] that if the program is to be terminated, it should not be done until after full hearings have been had and a study made by the legislative committees. If appropriate hearings were held, my opinion is that there would be a very loud, substantial voice throughout the country almost reaching unanimity, in favor of continuation of the public housing program. I know that throughout the years in my own State of Tennessee, where the program was accepted in some cities with considerable doubt in the beginning, many cities and smaller towns have now gone into the program and believe in it.

The present House language would eliminate some 14 projects, involving 1,481 units, in the State of Tennessee alone. I have received many letters and telegrams from interested citizens.

Mr. President, I believe that the conference report should make it amply clear that this program is not to be terminated, that that is not the intention of the Senate, and that there should be full committee hearings before any such action is contemplated.

It is stated that this program is being held up pending a study. The agricultural program is being studied, and yet it is not being stopped. Almost everything in Government is being studied these days by commissions or committees. That is no reason why a successful program like the housing program should be discontinued.

I invite attention to the fact that if this limitation does stop the low-cost housing program, it would also substantially eliminate the slum clearance. While slum clearance is not specifically referred to, we know as a practical matter that if we clean out slums we should, and in most cases would, put in low-cost housing units to take care of the people who had formerly lived in the slums.

I wish to compliment the Senator from Massachusetts for his support of the low-cost housing program. I think the people of the United States are in favor of this program. They support the position of the Senator from Massachusetts, which is my position. I hope the conferees will come back with clear and unmistakable language indicating that we intend and expect this program to be continued.

Mr. President, I ask unanimous consent to have printed in the RECORD at this point as a part of my remarks a brief statement, and also a letter in reference to this program.

There being no objection, the statement and letter were ordered to be printed in the RECORD, as follows:

As of March 23, 1953, there were, in 408 localities, 150,000 dwelling units contracted for under the regulations of the Public Housing Administration. However, the Housing Administration, after the contract stage, awards what it terms annual contribution contracts—what amounts to a green light for construction. If the House conference report is approved by the Senate, these 150,000 first stage contracts will be invalidated.

In Tennessee, here is the picture:

Chattanooga.....	192
Clarksville.....	100
Dyersburg.....	155
Englewood.....	18
Gallatin.....	100
Humboldt.....	120
Knoxville.....	706
Lafollette.....	6
Lynchburg.....	18
Manchester.....	20
Memphis.....	392
Paris.....	64
Petersburg.....	12
Waverley.....	38
Total.....	1,841

* All figures as of Apr. 30, 1953.

Source: Mr. Abner D. Silverman, Assistant Commissioner for Operations, Public Housing Administration.

These projects would be dropped if House conference report is adopted in Senate.

Under provision in the housing law itself, all occupants must have been living in substandard dwellings unless they are veterans who can be taken under certain conditions such as rents in their present dwellings which they cannot afford to pay.

The entire country has discovered the slum conditions are very unprofitable. The cost of services—fire, police, etc.—generally costs twice as much to the municipality as is derived from tax revenues from the particular area.

CITY OF MEMPHIS AS AN EXAMPLE

The city of Memphis has built and now has occupied 3,390 low-rent public-housing units. The tax revenues which the city of Memphis derived from the sites of those low-rent units before they were cleared of slums was \$47,639.56 annually. The tax revenues from those same areas in 1953 are \$128,033.61. The city of Memphis has a 58-acre tract occupied by 525 substandard units which they plan to develop under title I, urban redevelopment program. Under this particular program, which incidentally has the support of the private-home builders, the municipality clears and rebuilds into low-rent public housing those houses which are rock-bottom substandard. The remainder which are repairable are rehabilitated by the private builders under a redevelopment plan approved by the municipality and, of course, are owned and sold by private builders. In this 56-acre tract, the total tax revenue received annually is \$6,551. The estimated annual tax following redevelopment is \$35,000.

SLUM CLEARANCE

There is no legal relationship between the slum clearance program and urban redevelopment and the limitation on housing contained in the conference report. The office of the legal counsel of slum clearance informs us that as a matter of law they could go forward with the slum-clearance program but that as a probable matter this program would be brought to a halt. They point out that the legislative history of the past, as well as the practical consideration, would indicate that when a slum is cleared low-rent public housing is expected to take its place. In other words when the slum houses are torn down and the people are displaced they have to have some place to go. The slums would have to be replaced by low-rent public housing which they could afford to go into or they would be replaced by higher cost and higher rent housing which they could not afford to go into.

HUMBOLDT HOUSING AUTHORITY,
Humboldt, Tenn., March 18, 1953.

Re Humboldt Housing Authority, Contract A-261, Project No. Tenn. 27-1 and 27-2.

Senator ESTES KEFAUVER,
United States Senate,
Washington, D. C.

DEAR SENATOR: We need your assistance in connection with the housing projects for Humboldt. We are now operating under Preliminary Loan Contract No. A-261; and the two proposed projects are designated Tennessee 27-1 and Tennessee 27-2.

Humboldt has never had a housing project. About one and a half years ago Humboldt Housing Authority was organized and chartered and the preliminary steps toward securing the housing project or projects were made. After completion of a housing survey Humboldt was approved for a white project to consist of 60 units and a nonwhite project to consist of 60 units. Site selections were made and approved by the Atlanta office, an architect was employed, the necessary preliminary maps and surveys were made, and the development program for each of the projects was completed and sent to Atlanta. This was in the early fall of last year, 1952.

We were told in the summer of 1952 that if we got far enough along with our program for a contract to be let by December 1, 1952, we would get in the 1953 fiscal year. However, when the development programs were completed and sent to Atlanta we were then told that by reason of the pressure of work it would not be possible for them to be processed in time for a contract in the 1953 fiscal year, but that they would go forward with them so they could be ready for the 1954 fiscal program. We further understand that, both because of pressure of work and because they did not want to process any programs that would not be approved for 1954, the development programs are still in Atlanta. We have done everything we have been requested to do with regard to the programs, and so far as we know, they are complete and are and have been ready to be processed. As a matter of fact, we had understood and hoped that these projects would receive approval for the 1953 fiscal year.

We are now advised that a tentative list of projects for Tennessee for next year have been forwarded to Washington and this list is now in the central office of the Public Housing Administration in Washington. We are further informed that this list is subject to certain criteria which would place the Humboldt projects at a serious disadvantage.

That is, we understand that it is being recommended that where there are two programs proposed for a town or city for 1954 they recommend the construction only of the project with the greater number of units, and that, as in our case, where the units are evenly distributed between the white and nonwhite projects, they recommend that only one project be constructed and that the local housing authority will determine which of the projects are to be constructed. This would mean allotting now to Humboldt only 50 percent of the total units heretofore approved as necessary. We feel that such a policy is completely unfair to us. First, there has never been a housing project in Humboldt and these will not be additional units but primary units. We know that numerous other towns and cities in Tennessee who have already enjoyed considerable public housing construction are being recommended for additional units for the coming year which will mean the expenditure of millions of dollars. The total of 120 units for the 2 Humboldt projects represents, comparatively, a very meager percentage of the total units recommended for the State as a whole. Since these will be the first housing projects to be constructed in Humboldt, and since the need as revealed by the survey is great, we do not feel that they should eliminate one of these projects or reduce the number of units.

The Humboldt Housing Authority is and for several months has been ready to proceed. Our development programs have been completed; the sites have been selected and approved and can at this time be acquired for a reasonable amount; the plans and specifications have been prepared and are ready. We cannot even acquire the sites until an annual contribution contract is executed and we are informed that no such contract will be entered into until after July 1 of this year and then only for projects which have received Presidential approval. We are also informed that there may be additional delay because of the appointment of Mr. Cole, the new Administrator.

We will therefore greatly appreciate it if you will check with the central office of the Public Housing Administration there and determine if the Humboldt projects are on the list recommended for construction in the 1954 fiscal year and if you will use your influence to get approval for both of these projects without reduction in units. We

repeat, these are comparatively small projects; they are much needed; and Humboldt has never had a housing project.

We have waited until we thought it was absolutely necessary before burdening you with this matter. The Humboldt Housing Authority has been organized and working toward a housing project for more than a year and a half. It is now apparent that more than 2 years will have passed before any construction will be commenced. We feel that there is no excuse for any additional delay and we feel strongly that there is even less excuse, under the circumstances, for any reduction in the number of units to which we are entitled.

We are turning to you as our representative in the Senate to see that our interests of Humboldt are protected. We have now done all that we can do for ourselves in this matter, and we urgently need your assistance. Please look into this situation for us, and let us know just where we stand, and keep us informed as to the status of the Humboldt projects. We will be deeply appreciative of your assistance and interest.

Sincerely,

HUMBOLDT HOUSING AUTHORITY,
By HAROLD W. McLEARY, *Chairman.*

C. S. ROOKS,
E. L. NELSON,
DAN S. TUTTLE,
BARTON O'BRIEN,

Commissioners.

J. D. SENTER, Jr.,
Executive Director.

Mr. KNOWLAND. Mr. President, will the Senator yield?

Mr. SALTONSTALL. I yield.

Mr. KNOWLAND. As a result of the discussion tonight, it seems to me that some very real thought should be given to the suggestion I am about to make, either by way of a concurrent resolution, or in some other way. Of course, we cannot do anything about it at this session of Congress, but action should be taken so that what is now called the statement on the part of the managers of the House would become, instead, a statement on the part of the conferees of both Houses, a statement which would be filed simultaneously in both Houses of Congress. Otherwise we may get into this kind of snafu again. It could happen very easily.

In my judgment the problem would not be solved by the Senate managers filing one report, and the House managers filing another report. In fact, that might create even more difficulties. But, if we could have an arrangement—and I think some very real thought should be given to the question by members of the Committee on Rules and Administration and other Members of the Senate—under which, when conference reports come back, in place of the statement which begins on page 7 of the report, under the heading "Statement of the Managers on the Part of the House," and which is signed by the House managers, we could have a statement of the conferees on the part of both the House and Senate, which would be agreed to in conference, it would bring about a great improvement in our procedure. The same statement would be filed in both the House and Senate.

Mr. SALTONSTALL. Mr. President, I will say to my good friend from California that after my experience tonight

I am heartily in favor of the suggestion which he makes.

Mr. MORSE. Mr. President, will the Senator yield?

Mr. SALTONSTALL. I yield.

Mr. MORSE. On behalf of the Senator from New York [Mr. Ives], and the Senator from Oregon, an invitation is extended to the Senator from California to join in sponsoring such a resolution. A few minutes ago we agreed that we would offer such a resolution. We now invite the Senator from California and any other Senator who wishes to join us, to become cosponsors of just the kind of resolution the Senator was describing.

Mr. SALTONSTALL. I thank the Senator.

Mr. JOHNSON of Texas. Mr. President, I wish to say for the RECORD that I think the distinguished Senator from Oregon, who is a great liberal and the leader of the Independent Party in the Senate, has rendered the Senate and the country a great service by the statement he made this afternoon, which results in the conference report being recommended. When he started his speech, I was not sure that he was correct. When he finished, I was confident that I should join him.

I wish also to commend the distinguished acting majority leader [Mr. KNOWLAND] for the manner in which he has handled this entire situation. He has acted with wisdom and tact.

There is one thing about which we must always be very careful. Even when only one Member of the Senate questions a procedure, before we send anything on its way to becoming a law, we ought to stop, look, and listen, and be very careful.

I think the distinguished chairman of the subcommittee realizes the situation in which we found ourselves. He knows that every Member of the Senate has confidence in him. While he felt that the chairman of the House group understood what was being done it might well have been that all other Members of the House did not so understand it.

I do not believe that anything but good can come from the action we are taking tonight. I am glad that we have finally reached the point where we can send the bill back to conference, so that further work can be done on it. We have done a great deal of talking. There is nothing we can do in the Senate Chamber about correcting the imperfections which exist in this conference report.

I believe that we need to stand firm on the ICC matter. I express the hope which so many other Senators have expressed, that we will let the House Members suffer no illusions to the effect that they are killing off the public-housing program.

Mr. HILL. Mr. President, will the Senator yield?

Mr. SALTONSTALL. I yield to the Senator from Alabama.

Mr. HILL. Is it not true that the House conferees came to the conference after the House had voted, on a yeand-nay vote, 239 to 161, with a majority of 78, not to put in a single dollar

for a single housing unit, and after the House had placed in the bill language, which I think it should not have placed in it, and which would have killed the whole housing program? The distinguished Senator from Massachusetts, as chairman of the Senate conferees, with the unanimous support of all the other Senate conferees, fought a battle with the House conferees to get them to recede from the position of the House, taken on a yea-and-nay vote, by a majority of 78, and to agree not to kill this program, but to provide the money for the 20,000 housing units, and also to strike out the House language, and insert language which the Senate conferees thought would save the program. Is not that true?

Mr. SALTONSTALL. I will say to the Senator from Alabama that I am glad he brought that question up. The language contained in the report was drafted by Mr. Fitzpatrick, counsel for the Housing Administration. I think it will be agreed that his instructions were to draft such language as would make sure that the public housing program was not killed.

Mr. HILL. And that language was put in in lieu of the House language, which was deliberately and willfully inserted to kill the program.

Mr. SALTONSTALL. That is correct.

Mr. HILL. The House had refused to vote a single dollar for the construction of a single unit of housing, had it not?

Mr. SALTONSTALL. That is correct.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. SALTONSTALL. I yield.

Mr. HUMPHREY. I do not wish to take much more time of the Senate, but I would feel derelict in my responsibility as a Senator representing my State unless I said that I have received considerably more than 200 telegrams and messages in regard to the Interstate Commerce Commission safety program. Despite whatever differences we may have on the language, or on its interpretation, those telegrams reveal at least a feeling and an understanding on the part of the senders that the Interstate Commerce Commission would be denied responsibilities in the field of safety work.

Secondly, so far as housing is concerned, I discussed this question with the distinguished Senator from Massachusetts. I felt, at the time of our personal discussion, that he was strongly of the opinion that it did not mean the end of housing.

When I read the RECORD, as the Senator from Alabama [Mr. SPARKMAN] pointed out, I could not help feel that here again we see a play on words. Actually what happened was that the conference report, as it was submitted to the House, and as it was understood by the Senate, became all things to all men.

I wish to concur in the thought expressed by the acting majority leader, that it is imperative we have a report which is identical for both Houses. It has always been somewhat amazing to me that we have not had such a report. Now that the distinguished Senator from Oregon [Mr. MORSE] and the distinguished Senator from New York [Mr. IVES] have been working together in

silent meditation—if not too silent, at least it has not been so oral that it has interrupted the deliberations of the Senate—I believe we should get the resolution in the legislative hopper and under way, so we will have no more difficulties like this one.

I believe the experience has been a help to all Members of the Senate. I hope it has not been embarrassing to the Senator from Massachusetts, because I know of no Senator who has the affection of his colleagues to a greater degree than has the Senator from Massachusetts.

I thank the Senator from Massachusetts for the time he took today to explain the situation to me, as he has to the Senate tonight. Let me make my position perfectly clear. We must continue the public-housing program. We must have the safety work of the Interstate Commerce Commission. I say it only so the Senator will be further fortified in knowing that the people I represent have asked for it. The mayors of the Twin Cities of Minneapolis and St. Paul and other cities in Minnesota are looking forward to a big start in housing, and are asking for it. I feel it is our responsibility to make this a matter of record.

Mr. SALTONSTALL. I thank the Senator.

The PRESIDING OFFICER (Mr. CARLSON in the chair) laid before the Senate a message from the House of Representatives announcing its action on certain amendments of the Senate to House bill 4663, which was read, as follows:

IN THE HOUSE OF REPRESENTATIVES, U. S.,
July 21, 1953.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 33 to the bill (H. R. 4663) entitled "An act making appropriations for the executive office and sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1954, and for other purposes," and concur therein;

That the House recede from its disagreement to the amendment of the Senate numbered 9, and concur therein with an amendment, as follows: In lieu of the matter proposed by said amendment insert: "purchase of not to exceed eight passenger motor vehicles, for replacement only, in the event adequate vehicles cannot be obtained by transfer from other departments or agencies."

That the House recede from its disagreement to the amendment of the Senate numbered 42, and concur therein with an amendment, as follows: "Provided further, That unless the governing body of the locality agrees to its completion, no housing shall be authorized by the Public Housing Administration, or, if under construction continue to be constructed, in any community where the people of that community, by their duly elected representatives, or by referendum, have indicated they do not want it, and such community shall negotiate with the Federal Government for the completion of such housing, or its abandonment, in whole or in part, and shall agree to repay to the Government the moneys expended prior to the vote or other formal action whereby the community rejected such housing project for any such projects not to be completed plus such amount as may be required to pay all costs and liquidate all obligations lawfully incurred by the local housing authority prior to such rejection in connection with any project not to be completed: *Provided*

further, That, in any case where the Public Housing Administration (after the approvals on the part of the governing body of the locality required by law) has entered into a financial assistance contract with a local housing authority covering any low-rent housing projects to be constructed in such locality, and (a) thereafter, but prior to the effective date of this act, a majority of the members of the governing body of the locality and the people of the locality have voted against any such low-rent housing projects, and (b) the local housing authority and the governing body of the locality agree to a modification of the agreement providing the required local cooperation in connection with such low-rent housing projects, the preceding proviso shall not be applicable, and (1) the Public Housing Administration shall not, unless the governing body of the locality shall, by resolution, request such action, (a) authorize the award of any contract for the construction of any such low-rent housing project, or (b) make any further advance of funds on account of any such project for which the main construction contract has not heretofore been awarded, excepting only such funds as may be required by the local housing authority (1) to pay all costs and liquidate all obligations heretofore properly incurred by it in connection with any such project which, pursuant to such modification, is to be terminated, and (2) to pay costs in connection with the liquidation (including the sale of land or other assets) of any such terminated project; (2) in the liquidation of any such terminated project no claim shall be made by the local housing authority or the Public Housing Administration against the locality or its governing body on account of such termination; (3) the Public Housing Administration shall absorb as a loss, and shall release the local housing authority from, all claims, if any, of said Administration in connection with such terminated project in excess of the net amount realized from the sale by the local housing authority of all land (which, if sold to other than a public agency, shall be after public advertisement to the highest responsible bidder, but if sold to a public agency may be at a price equal to the purchase price of the land, exclusive of improvements, as approved by the Public Housing Commissioner) and other assets acquired and held in connection with such terminated project; and (4) the Secretary of the Treasury shall credit as a payment upon the note or notes of the Public Housing Administration, executed and delivered in connection with funds obtained pursuant to section 20 of the United States Housing Act of 1937, as amended, an amount equal to such loss as certified by the Public Housing Commissioner."

That the House recede from its disagreement to the amendment of the Senate numbered 43, and concur therein with an amendment, as follows: In lieu of the matter stricken out and inserted by said amendment insert "Provided further, That notwithstanding the provisions of the United States Housing Act of 1937, as amended, the Public Housing Administration shall not, with respect to projects initiated after March 1, 1949 (1) authorize during the fiscal year 1954 the commencement of construction of in excess of 20,000 dwelling units or (2) after the date of approval of this act, enter into any new agreements, contracts, or other arrangements, preliminary or otherwise, which will ultimately bind the Public Housing Administration during fiscal year 1954 or for any future years with respect to loans or annual contributions for any additional dwelling units or projects unless hereafter authorized by the Congress to do so, and during the fiscal year 1954 the Housing and Home Finance Administrator shall make a complete analysis and study of the low-rent public-housing program and, on or before February 1, 1954, shall transmit to the Ap-

propriations Committees of the House and Senate his recommendations with respect to such low-rent public-housing program."

That the House recede from its disagreement to the amendment of the Senate numbered 46, and concur therein with an amendment, as follows: In lieu of the matter proposed by said amendment insert: "purchase of not to exceed four passenger motor vehicles, for replacement only, in the event adequate vehicles cannot be obtained by transfer from other departments or agencies."

That the House recede from its disagreement to the amendment of the Senate numbered 53, and concur therein with an amendment, as follows: In lieu of the matter stricken out and inserted by said amendment insert: "For necessary expenses for the National Capital Planning Commission in connection with the acquisition of land for the park, parkway, and playground system of the National Capital, as authorized by the act of May 29, 1930 (46 Stat. 482), as amended, \$100,000, to remain available until expended, to be used for carrying out the provisions of section 1 (a) of said act: *Provided*, That not exceeding \$24,940 of the funds available for land acquisition purposes shall be used during the current fiscal year for necessary expenses of the Commission (other than payments for land) in connection with land acquisition."

Mr. SALTONSTALL. Mr. President, I move that the Senate disagree to the amendments of the House to the amendments of the Senate numbered 42 and 43; agree to the amendments of the House to the amendments of the Senate numbered 9, 46, and 53; further insist on the amendments of the Senate in disagreement; and ask for a further conference with the House of Representatives thereon.

The PRESIDING OFFICER. The Chair would advise the Senator from Massachusetts that the pending question before the Senate is his resolution, which was submitted earlier today.

Mr. SALTONSTALL. Mr. President, I ask unanimous consent to withdraw the resolution.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. IVES. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from New York will state it.

Mr. IVES. Has the motion on the ICC matter been adopted?

The PRESIDING OFFICER. No; it has not been agreed to.

Mr. SALTONSTALL. That is included in the motion I have made.

Mr. MORSE subsequently said: Mr. President, I ask unanimous consent to have published in the body of the RECORD, just before action by the Senate on the motion of the Senator from Massachusetts a copy of a speech which the Senator from New Hampshire [Mr. TOBEY] had prepared for delivery on the issue. He was necessarily detained and could not make the speech. He has asked me to insert it in the RECORD for him.

I wish to associate myself with every argument made by the Senator from New Hampshire in his speech. I wish to add only, so it may be of help to the conferees in their discussions, that, of course, the basis of the controversy originally was the controversy between the licensed and unlicensed operators of

trucks. The record should show that fact. It is my judgment that if we do not follow the course of action which we are about to follow, and if the appropriation bill had been passed on the basis as was first proposed, the moment the President signed the bill, legal counsel for the unlicensed operators would have proceeded to take the necessary legal action to tie up the Interstate Commerce Commission from spending any funds. I believe we will now be able to get into the situation where at least when the final appropriation is approved it will be impossible for legal counsel to take that kind of dilatory action.

There being no objection, Mr. TOBEY's statement was ordered to be printed in the RECORD, as follows:

STATEMENT OF SENATOR TOBEY

On July 21, 1953, the House approved a conference report on the First Independent Offices Appropriation Act of 1954. The Honorable JOHN PHILLIPS, of California, has led this fight against safety, and he has repeatedly stated that the ICC should not concern itself with the safety and field work which it has performed for many years, and which it is directed by law to do. Congressman PHILLIPS in effect suggests that we should trade lives for dollars. He has stated that safety is a function of the States and that it should not be performed by the ICC.

The public and the transportation industry has become aroused by this flagrant disregard for the millions of people who travel our highways. At this point, I should like to read a letter from the Public Utilities Commission of the State of California—Congressman PHILLIPS' own State—regarding this matter.

"Hon. J. HADEN ALDRIDGE,

"Chairman, Interstate Commerce Commission, Washington, D. C.

"DEAR MR. CHAIRMAN: It has come to our attention that enforcement of your safety regulations of interstate carriers may be drastically curtailed or discontinued. Our commission has general regulatory power over California intrastate for-hire carriers. There are approximately 14,841 such carriers operating 81,376 vehicles. Our jurisdiction with respect to safety, however, is confined to but 411 carriers, which is approximately 3.7 percent of the for-hire carriers under our jurisdiction. These carriers operate 24,441 vehicles, which is approximately 30 percent of the total vehicles operated. The balance of 56,935 vehicles, or 70 percent of the total, are not subject to any safety regulation by this Commission. Many of the carriers not subject to intrastate safety supervision are also interstate carriers operating both with and without the State.

"It seems to this commission that in the interests of safety, both with respect to general commodities and explosives, your Commission's safety activities should be continued.

"Sincerely,

"R. E. MITTELSTAEDT,

"President."

Congressman PHILLIPS wants to eliminate from inspection 56,935 vehicles, or 70 percent of all the carriers operating in his State, vehicles which the Public Utilities Commission of the State of California has said are not subject to any safety regulation by the State. The State highway patrol of the State of California has not only asked for a continuation of this service but has asked for an increase. My colleague, Senator EDWIN C. JOHNSON, from Colorado, has inserted in the RECORD this letter together with letters from many other States, which makes this safety program mandatory. My State of

New Hampshire, and every State in the Union, will be greatly injured if this conference report on H. R. 4663 is accepted by the Senate. Every motor carrier field office in the United States will be closed and motor-carrier regulations will cease to exist. The people of the United States are greatly aroused by this obvious trade of lives for dollars.

Mr. President, I would like to call your attention to this full-page ad in the Washington Post, dated July 22, 1953, which has as its headline "Members of Congress: Public safety is in your hands." The death toll in 1952 amounted to 38,000 persons.

Mr. President, this Nation has not grown so poor that we must follow the Shylock pattern of "gold for a pound of flesh." I am amazed that our conferees have even considered such a proposal. A conference report on an appropriations bill should not, and does not, have the right to disregard laws which have been on our books for many years. If this report is permitted to pass, part II of the Interstate Commerce Act, which deals with motor vehicles, will for all practical purposes become void, and the Congress of the United States will have on its doorstep the blood of the many thousands of people that will be killed this next fiscal year.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

The report was rejected.

The PRESIDING OFFICER. The question now is on agreeing to the motion of the Senator from Massachusetts [Mr. SALTONSTALL].

The motion was agreed to; and the Presiding Officer appointed Mr. SALTONSTALL, Mr. BRIDGES, Mr. FERGUSON, Mr. CORDON, Mr. MAYBANK, Mr. HILL, and Mr. ELLENDER conferees on the part of the Senate at the further conference.

MEMORANDUM FOR MEMBERS OF CONGRESS ISSUED BY THE SECRETARY OF COMMERCE

Mr. KNOWLAND. Mr. President, I had intended to ask unanimous consent to have printed in the body of the RECORD a memorandum for Members of Congress, dated July 24, 1953, issued by the Secretary of Commerce, Sinclair Weeks, together with a copy of a newspaper press release on the same date. I understand, however, that earlier in the day the Senator from Indiana [Mr. CAPEHART] had the memorandum and release printed in the body of the RECORD, so I shall not make the request.

RECESS TO 10 A. M. TOMORROW

Mr. KNOWLAND. Mr. President, I move that the Senate stand in recess until 10 o'clock a. m. tomorrow.

The motion was agreed to; and (at 8 o'clock and 28 minutes p. m.) the Senate took a recess until tomorrow, Saturday, July 25, 1953, at 10 o'clock a. m.

NOMINATIONS

Executive nominations received by the Senate July 24 (legislative day of July 6), 1953:

DIPLOMATIC AND FOREIGN SERVICE

Robert D. Coe, of Wyoming, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Denmark.

HOME LOAN BANK BOARD

Walter W. McAllister, of Texas, to be a member of the Home Loan Bank Board for a term of 4 years, expiring June 30, 1957, vice Kenneth G. Helsler, term expired.

COAST AND GEODETIC SURVEY

Subject to qualifications provided by law, the following for permanent appointment to the grade indicated in the Coast and Geodetic Survey:

To be commissioned ensign

Jack D. Walker

IN THE ARMY

Lt. Gen. Charles Lawrence Bolté, O6908, Army of the United States (major general, U. S. Army), for appointment as commander in chief, United States Army, Europe, with the rank of general and as general in the Army of the United States, under the provisions of sections 504 and 515 of the Officer Personnel Act of 1947.

The following-named officers for temporary appointment in the Army of the United States, to the grades indicated, under the provisions of subsection 515 (c) of the Officer Personnel Act of 1947:

To be major generals

Brig. Gen. Edwin Luther Sibert, O11193, United States Army.

Brig. Gen. Robert Wesley Colglazier, Jr., O223635, United States Army Reserve.

Brig. Gen. Gordon Byrom Rogers, O15620, Army of the United States (colonel, U. S. Army).

Brig. Gen. Philip DeWitt Ginder, O16904, Army of the United States (colonel, U. S. Army).

Brig. Gen. Lionel Charles McGarr, O17225, Army of the United States (colonel, U. S. Army).

Brig. Gen. Paul Donal Harkins, O17625, Army of the United States (colonel, U. S. Army).

To be brigadier generals

Col. Richard Gray McKee, O11217, United States Army.

Col. Joseph Conrad Odell, O12439, United States Army.

Col. Paschal Nelson Strong, O14904, United States Army.

Col. Emerson Charles Itschner, O15516, United States Army.

Col. Vonna Fernleigh Burger, O15667, United States Army.

Col. Henry Randolph Westphalinger, O16130, United States Army.

Col. David Louis Van Syckle, O16425, United States Army.

Col. John Bruce Medaris, O39554, United States Army.

Col. Ralph Joseph Butchers, O17242, United States Army.

Col. Alfred Benjamin Denniston, O17315, United States Army.

Col. Edwin Hugh John Carns, O17560, United States Army.

Col. William Arnold Carter, Jr., O18023, United States Army.

Col. August Schomburg, O18422, Army of the United States (lieutenant colonel, U. S. Army).

Col. Harvey Herman Flischer, O18832, Army of the United States (lieutenant colonel, U. S. Army).

Col. Teddy Hollis Sanford, O29893, Army of the United States (lieutenant colonel, U. S. Army).

Col. Paul Thomas Carroll, O19146, Army of the United States (lieutenant colonel, U. S. Army).

CONFIRMATION

Executive nomination confirmed by the Senate July 24 (legislative day of July 6), 1953:

UNITED STATES COAST GUARD

Vice Adm. Merllyn O'Neill to be Commandant of the United States Coast Guard with the rank of vice admiral for a term of 4 years. (Reappointment.)

WITHDRAWAL

Executive nomination withdrawn from the Senate July 24 (legislative day of July 6), 1953:

UNITED STATES DISTRICT JUDGE

Monroe Mark Friedman to be United States district judge for the northern district of California.

House 1/27/53

amendment S. Con. Res. 40, requesting that "United States of America" be placed on exported American-made goods (H. Rept. 967)(p. 10228).

21. PUBLIC LANDS; RECLAMATION. The Interior and Insular Affairs Committee reported with amendment H. R. 4646, providing for the exchange of public lands for private sustained-yield timber lands which are acquired in connection with Federal projects (H. Rept. 972); S. 887, permitting exchange and amendment of farm units on Federal irrigation projects (H. Rept. 977); H. R. 2839, enabling the Hawaiian Homes Commission to exchange certain lands for public lands (H. Rept. 979); and H. R. 5731, authorizing the De Luz Dam, Calif. (H. Rept. 984)(p. 10228).
22. BUDGETING; PROPERTY. The Government Operations Committee reported with amendment H. R. 2, to provide that Federal expenditures shall not exceed revenues except under certain conditions (H. Rept. 981); and without amendment H. R. 6382, to extend until June 30, 1954, the period during which GSA may conduct negotiated sales of surplus property (H. Rept. 982)(p. 10228).
23. IMMIGRATION. The Judiciary Committee reported with amendment H. R. 6481, to authorize entry of refugees, etc., into this country (H. Rept. 974), and the Rules Committee reported a resolution for its consideration (p. 10228).
24. TAXATION; PAYROLLING. The Ways and Means Committee reported with amendment H. R. 6413, to permit the Federal Government to withhold from employees' wages certain municipal taxes (H. Rept. 992)(p. 10229).
25. WATER COMPACT. Passed without amendment S. 1197, consenting to a water compact between Nebr., Wyo., and S. Dak. (p. 10140). This bill will now be sent to the President.
26. ELECTRIFICATION. Passed without amendment H. R. 3598, to consolidate the Parker and Davis Dam projects (p. 10133).
27. MINERALS. Passed with amendment S. 2220, to amend the mineral leasing laws regarding pipelines passing through the public domain (pp. 10132, 10143-4).
Passed with amendment S. 1397, relating to mining claims located on land with respect to which a permit or lease has been issued, or an application of offer for permit or lease has been made, under the mineral leasing laws, etc., after Rep. Gavin first objected and spoke about his concern for protection of the surface values on national forest land (pp. 10133, 10141).
28. LAND TRANSFERS. Passed as reported H. R. 1797, to convey certain land to Eastern Oklahoma Agricultural and Mechanical College (pp. 10133-5).
Passed as reported H. R. 2458, to authorize transfer of a tract of national forest land at Cherry Point, N. C., to the Navy (p. 10137).
Passed without amendment H. R. 3097, to authorize transfer of a grape-research station to the U. of Calif. (pp. 10137-8).
Passed without amendment H. R. 5888, to authorize transfer of a cotton field station to N. C. (p. 10138).
Passed as reported H. R. 107, to provide for transfer of the site of the original Ft. Buford, N. Dak., to N. Dak. (p. 10140).
29. ORCHARD LOANS. Passed without amendment H. R. 4158, to extend for 5 years the USDA authority to make certain loans to orchardists in the Pacific Northwest (pp. 10140-1, 10144).
30. PERSONNEL. Passed as reported H. R. 6185, to amend the Veterans' Preference Act with respect to disabled veterans (p. 10142).

31. APPROPRIATIONS. Received the second conference report on H. R. 4663, the 1st independent offices appropriation bill, 1954 (H. Rept. 997)(pp. 10220-2).
Received the conference report on H. R. 5246, the Labor-HEW appropriation bill for 1954 (H. Rept. 995)(pp. 10222-5).
Received the conference report on H. R. 5471, the D. C. appropriation bill for 1954 (H. Rept. 996)(pp. 10225-6).
32. BANKING AND CURRENCY. Rep. Patman claimed the Federal Reserve Board has "launched a propaganda drive for permanent controls over installment credit which are nothing more than trade controls" (pp. 10218-20).
Rep. Deane discussed the Government's fiscal policy and the impact of recent interest-rate increases on the economy (pp. 10211-17).
33. RUBBER. Received the conference report on H. R. 5728, to dispose of Government rubber-producing plants (H. Rept. 999)(pp. 10182-7).
34. REORGANIZATION. Rep. Brown of Ohio, Rep. Holifield, Joseph P. Kennedy, and Sidney A. Mitchell were appointed to the Commission on Organization of the Executive Branch of the Government (p. 10125).
35. CREDIT UNIONS. Passed without amendment S. 573, to amend the D. C. Credit Unions Act to bring it into line with the Federal Credit Unions Act (p. 10160). This bill will now be sent to the President.
36. SMALL BUSINESS. Agreed to the conference report on H. R. 514, to create a Small Business Administration (pp. 10172-82).
37. FOUNDATIONS INVESTIGATION. Agreed to, with amendment, H. Res. 217, to create a select committee to investigate foundations (pp. 10188-203).

BILLS INTRODUCED

38. PROPERTY. H. R. 6534, by Rep. Bender, to provide for Federal payments in lieu of taxes on property; to Interior and Insular Affairs (p. 10229).
H. J. Res. 310, by Rep. Mason, relating to prohibitions upon giving or lending of Government property to any foreign government or international organization; to Judiciary Committee (p. 10230).
39. REORGANIZATION. H. R. 6535, by Rep. Dodd, to amend the Reorganization Act of 1939 so as to authorize either House to disapprove specific provisions in reorganization plans; to Government Operations Committee (p. 10229).
40. PERSONNEL. H. R. 6537, by Rep. Forand, and H. R. 6539, by Rep. Mason, to amend the Social Security Act to provide unemployment insurance for Federal civilian employees; to Ways and Means Committee (p. 10229).
41. CLAIMS. H. R. 6541, by Rep. Miller, Calif., to extend the time for filing claims on behalf of certain claimants; to Judiciary Committee (p. 10229).
42. MINERALS. H. R. 6543, by Rep. Pfof, to create a Department of Mineral Resources; to Government Operations Committee (p. 10229).
43. POSTAL RATES. H. R. 6544, by Rep. Reams, to establish a postal rate-making procedure under the executive department; to Post Office and Civil Service Committee (pp. 10229-30).
44. WOOL. H. R. 6548, by Rep. Hagen, Calif., to amend the Tariff Act to encourage

FIRST INDEPENDENT OFFICES APPROPRIATION ACT, 1954

JULY 27, 1953.—Ordered to be printed

Mr. PHILLIPS, from the committee of conference, submitted the following

CONFERENCE REPORT

[To accompany H. R. 4663]

The committee of conference on the disagreeing votes of the two Houses on certain amendments of the Senate to the bill (H. R. 4663) making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1954, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 5, 14, 21, 25, 26, 37, 38, 39, 63, 76, 78, and 81.

That the House recede from its disagreement to the amendments of the Senate numbered 1, 2, 3, 7, 8, 11, 15, 18, 20, 28, 30, 34, 35, 36, 40, 44, 50, 58, 59, 60, 61, 65, 67, and 77, and agree to the same.

Amendment numbered 4:

That the House recede from its disagreement to the amendment of the Senate numbered 4, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert \$8,500,000; and the Senate agree to the same.

Amendment numbered 6:

That the House recede from its disagreement to the amendment of the Senate numbered 6, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert \$476,670; and the Senate agree to the same.

Amendment numbered 10:

That the House recede from its disagreement to the amendment of the Senate numbered 10, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert \$88,000; and the Senate agree to the same.

Amendment numbered 12:

That the House recede from its disagreement to the amendment of the Senate numbered 12, and agree to the same with an amendment as follows:

Restore the matter stricken by said amendment, amending the first sum named therein as follows: \$1,018,496; and the Senate agree to the same.

Amendment numbered 13:

That the House recede from its disagreement to the amendment of the Senate numbered 13, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert \$210,000; and the Senate agree to the same.

Amendment numbered 16:

That the House recede from its disagreement to the amendment of the Senate numbered 16, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert \$184,750; and the Senate agree to the same.

Amendment numbered 17:

That the House recede from its disagreement to the amendment of the Senate numbered 17, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert \$24,300; and the Senate agree to the same.

Amendment numbered 19:

That the House recede from its disagreement to the amendment of the Senate numbered 19, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert \$146,700; and the Senate agree to the same.

Amendment numbered 22:

That the House recede from its disagreement to the amendment of the Senate numbered 22, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert \$80,430; and the Senate agree to the same.

Amendment numbered 23:

That the House recede from its disagreement to the amendment of the Senate numbered 23, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert \$157,450; and the Senate agree to the same.

Amendment numbered 24:

That the House recede from its disagreement to the amendment of the Senate numbered 24, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert \$30,750; and the Senate agree to the same.

Amendment numbered 27:

That the House recede from its disagreement to the amendment of the Senate numbered 27, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert \$93,400; and the Senate agree to the same.

Amendment numbered 29:

That the House recede from its disagreement to the amendment of the Senate numbered 29, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert \$176,275; and the Senate agree to the same.

Amendment numbered 31:

That the House recede from its disagreement to the amendment of the Senate numbered 31, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert \$193,550; and the Senate agree to the same.

Amendment numbered 32:

That the House recede from its disagreement to the amendment of the Senate numbered 32, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert \$3,215,550; and the Senate agree to the same.

Amendment numbered 41:

That the House recede from its disagreement to the amendment of the Senate numbered 41, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert \$6,950,000; and the Senate agree to the same.

Amendment numbered 42:

That the Senate recede from its disagreement to the amendment of the House to the amendment of the Senate No. 42, and agree to the same.

Amendment numbered 43:

That the Senate recede from its disagreement to the amendment of the House to the amendment of the Senate No. 43, and agree to the same.

Amendment numbered 45:

That the House recede from its disagreement to the amendment of the Senate numbered 45, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert \$3,560; and the Senate agree to the same.

Amendment numbered 47:

That the House recede from its disagreement to the amendment of the Senate numbered 47, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert \$251,650; and the Senate agree to the same.

Amendment numbered 48:

That the House recede from its disagreement to the amendment of the Senate numbered 48, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert \$9,600,000; and the Senate agree to the same.

Amendment numbered 49:

That the House recede from its disagreement to the amendment of the Senate numbered 49, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert \$310,000; and the Senate agree to the same.

Amendment numbered 51:

That the House recede from its disagreement to the amendment of the Senate numbered 51, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert \$5,630; and the Senate agree to the same.

Amendment numbered 52:

That the House recede from its disagreement to the amendment of the Senate numbered 52, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert \$125,000; and the Senate agree to the same.

Amendment numbered 54:

That the House recede from its disagreement to the amendment of the Senate numbered 54, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert \$89,500; and the Senate agree to the same.

Amendment numbered 55:

That the House recede from its disagreement to the amendment of the Senate numbered 55, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert \$8,000,000; and the Senate agree to the same.

Amendment numbered 56:

That the House recede from its disagreement to the amendment of the Senate numbered 56, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert \$272,150; and the Senate agree to the same.

Amendment numbered 57:

That the House recede from its disagreement to the amendment of the Senate numbered 57, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert \$127,000; and the Senate agree to the same.

Amendment numbered 62:

That the House recede from its disagreement to the amendment of the Senate numbered 62, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert \$12,500; and the Senate agree to the same.

Amendment numbered 64:

That the House recede from its disagreement to the amendment of the Senate numbered 64, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert \$13,500; and the Senate agree to the same.

Amendment numbered 66:

That the House recede from its disagreement to the amendment of the Senate numbered 66, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert \$6,260; and the Senate agree to the same.

Amendment numbered 68:

That the House recede from its disagreement to the amendment of the Senate numbered 68, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert \$3,250,000; and the Senate agree to the same.

Amendment numbered 69:

That the House recede from its disagreement to the amendment of the Senate numbered 69, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert \$108,175; and the Senate agree to the same.

Amendment numbered 70:

That the House recede from its disagreement to the amendment of the Senate numbered 70, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert \$525,625; and the Senate agree to the same.

Amendment numbered 71:

That the House recede from its disagreement to the amendment of the Senate numbered 71, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert \$27,000; and the Senate agree to the same.

Amendment numbered 72:

That the House recede from its disagreement to the amendment of the Senate numbered 72, and agree to the same with an amendment as follows:

Restore the matter stricken by said amendment, amending the sum named therein as follows: \$25,000; and the Senate agree to the same.

Amendment numbered 73:

That the House recede from its disagreement to the amendment of the Senate numbered 73, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert \$5,450; and the Senate agree to the same.

Amendment numbered 74:

That the House recede from its disagreement to the amendment of the Senate numbered 74, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert \$5,322,800; and the Senate agree to the same.

Amendment numbered 75:

That the House recede from its disagreement to the amendment of the Senate numbered 75, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert \$157,750; and the Senate agree to the same.

Amendment numbered 79:

That the House recede from its disagreement to the amendment of the Senate numbered 79, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert \$10,975,000; and the Senate agree to the same.

Amendment numbered 80:

That the House recede from its disagreement to the amendment of the Senate numbered 80, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert \$800,000; and the Senate agree to the same.

JOHN PHILLIPS,
CHARLES R. JONAS,
OTTO KRUEGER,
JOHN TABER,
ALBERT THOMAS,

Managers on the Part of the House.

LEVERETT SALTONSTALL,
STYLES BRIDGES,
HOMER FERGUSON,
GUY CORDON,
BURNET R. MAYBANK,
ALLEN J. ELLENDER,

LISTER HILL,
Managers on the Part of the Senate.

STATEMENT OF THE MANAGERS ON THE PART OF THE HOUSE

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on certain amendments of the Senate to the bill (H. R. 4663) making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1954, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying conference report as to each of such amendments, namely:

EXECUTIVE OFFICE OF THE PRESIDENT

EMERGENCY FUND FOR THE PRESIDENT

Amendment No. 1—*National Defense*: Appropriates \$300,000 as proposed by the Senate instead of \$500,000 as proposed by the House.

INDEPENDENT OFFICES

AMERICAN BATTLE MONUMENTS COMMISSION

Amendment No. 2—*Salaries and expenses*: Authorizes the use of \$12,000 for expenses of travel as proposed by the Senate instead of \$8,000 as proposed by the House.

Amendments Nos. 3, 4, and 5—*Construction of memorials and cemeteries*: Authorize the use of \$41,276 for expenses of travel as proposed by the Senate instead of \$27,520 as proposed by the House; and appropriate \$8,500,000 for such construction instead of \$9,500,000 as proposed by the House and \$4,500,000 plus \$4,000,000 in the form of foreign currencies or credits as proposed by the Senate.

CIVIL SERVICE COMMISSION

Amendments Nos. 6 and 7—*Salaries and expenses*: Appropriate \$17,000,000 as proposed by the Senate instead of \$16,064,323 as proposed by the House; and authorize the use of \$476,670 for expenses of travel instead of \$383,335 as proposed by the House and \$570,000 as proposed by the Senate.

FEDERAL COMMUNICATIONS COMMISSION

Amendment No. 8—*Land and structures*: Authorizes the use of \$13,000 for such purpose as proposed by the Senate instead of \$3,000, as proposed by the House.

Amendments Nos. 10, 11, and 12—*Salaries and expenses*: Authorize the use of \$88,000 for expenses of travel instead of \$73,335 as proposed

by the House and \$90,000 as proposed by the Senate; appropriate \$7,400,000 as proposed by the Senate instead of \$7,100,000 as proposed by the House; and restore the provision of the House, making specific amounts available for application processing in connection with television licenses and licenses for safety and special services amended to provide that not less than \$1,018,496 shall be available for TV application processing.

FEDERAL POWER COMMISSION

Amendment No. 13—*Salaries and expenses*: Authorizes the use of \$210,000 for expenses of travel instead of \$173,335 as proposed by the House and \$240,000 as proposed by the Senate.

FEDERAL TRADE COMMISSION

Amendments Nos. 14 and 15—*Salaries and expenses*: Appropriate \$4,053,800 as proposed by the Senate instead of \$4,178,800 as proposed by the House; and authorize the use of \$163,035 for expenses of travel as proposed by the House instead of \$196,435 as proposed by the Senate. The conference committee was urged to authorize the use of funds appropriated to the Commission for employment of a firm of management consultants to make a survey of the Commission. Under the rules of conference the conferees were unable to comply with this request. However, it is believed the project is desirable, and it is suggested that the Commission call upon the Bureau of the Budget for assistance in this connection, a substantial sum having been recently provided this agency for improvement of management in the executive branch.

GENERAL SERVICES ADMINISTRATION

Amendment No. 16—*Operating expenses*: Authorizes the use of \$184,750 for expenses of travel, Public Buildings Service, instead of \$161,200 as proposed by the House and \$208,300 as proposed by the Senate.

Amendments Nos. 17 and 18—*Emergency operating expenses*: Appropriate \$20,000,000 as proposed by the Senate instead of \$22,668,250 as proposed by the House; and authorize the use of \$24,300 for expenses of travel instead of \$22,865 as proposed by the House and \$30,000 as proposed by the Senate.

Amendments Nos. 19 and 20—*Repair, improvement, and equipment, outside the District of Columbia*: Appropriate \$14,000,000 as proposed by the Senate instead of \$18,000,000 as proposed by the House; and authorize the use of \$146,700 for expenses of travel instead of \$133,400 as proposed by the House and \$160,000 as proposed by the Senate.

Amendment No. 21—*Remodeling of Congress Street Post Office, Chicago, Ill.*: Authorize the use of \$800 for expenses of travel as proposed by the House instead of \$1,200 as proposed by the Senate.

Amendments Nos. 22 and 23—*Federal Supply Service*: Authorize the use of \$80,430 for expenses of travel, operating expenses, instead of \$79,865 as proposed by the House and \$81,000 as proposed by the Senate; and \$157,450 for expenses of travel under the heading "Expenses, general supply fund," instead of \$140,700 as proposed by the House and \$174,200 as proposed by the Senate.

Amendments Nos. 24, 25, and 26—*National Archives and Records Service*: Appropriate \$5,625,000 as proposed by the House instead of

\$5,525,000 as proposed by the Senate; provide \$200,000 for nitrate film conversion as proposed by the House instead of \$100,000 as proposed by the Senate; and authorize the use of \$30,750 for expenses of travel instead of \$24,600 as proposed by the House and \$36,900 as proposed by the Senate.

Amendments Nos. 27 and 28—*Administrative operations*: Appropriate \$4,200,000 as proposed by the Senate instead of \$4,140,750 as proposed by the House; and authorize \$93,400 for expenses of travel instead of \$88,600 as proposed by the House and \$98,200 as proposed by the Senate.

Amendment No. 29—*Strategic and critical materials*: Authorizes the use of \$176,275 for expenses of travel instead of \$143,000 as proposed by the House and \$209,550 as proposed by the Senate.

Amendment No. 30—*Purchase of typewriters*: Strikes out the proposal of the House to include State governments as an exception within the provisions of the limitation.

HOUSING AND HOME FINANCE AGENCY

OFFICE OF THE ADMINISTRATOR

Amendments Nos. 31 and 32—*Salaries and expenses*: Appropriate \$3,215,550 instead of \$2,587,100 as proposed by the House and \$3,455,000 as proposed by the Senate; and authorize the use of \$193,550 for expenses of travel instead of \$175,800 as proposed by the House and \$211,300 as proposed by the Senate.

Amendments Nos. 34, 35, and 36—*Miscellaneous provisions*: Strike out provisions in the House bill proposing a reorganization survey; assigning certain reorganization powers to the Administrator; and fixing a limit on expenditures in connection with loans to educational institutions; as proposed by the Senate.

Amendment No. 37—*Defense Community Facilities and Services*: Reappropriates not to exceed \$112,500, for administrative expenses, as proposed by the House instead of \$115,000 as proposed by the Senate.

Amendments Nos. 38, 39, and 40—*Capital grants for slum clearance and urban redevelopment*: Restore the provision of the House bill requiring the Administrator to give consideration to the efforts of the locality to enforce local codes and regulations; restore the provision of the House requiring that the authority under title I of the National Housing Act shall be used to the utmost in connection with slum-rehabilitation needs; and strike out the proposal of the House excluding expenditures by the community for parks, playgrounds, public buildings, or similar facilities as being counted as a part of the one-third contribution required of such community.

PUBLIC HOUSING ADMINISTRATION

Amendment No. 41—*Administrative expenses*: Appropriates \$6,950,000 instead of \$4,948,000 as proposed by the House and \$8,000,000 as proposed by the Senate.

Amendment No. 42—*Rejection of project by a community*: The Senate recedes from its disagreement to the amendment of the House to the amendment of the Senate in connection with such amendment.

Amendment No. 43—*Authorization of additional dwelling units*:

The Senate recedes from its disagreement to the amendment of the House to the amendment of the Senate and agrees to the same. These provisions permit the building of 20,000 units during the 1954 fiscal year. They require the Administrator to make a study of the program and submit his recommendation before February 1, 1954. The conferees realize that one Congress cannot bind any other Congress on this or any other housing program.

INDIAN CLAIMS COMMISSION

Amendments Nos. 44 and 45—*Salaries and expenses*: Appropriate \$117,020 as proposed by the Senate instead of \$111,020 as proposed by the House; and authorize the use of \$3,560 for expenses of travel instead of \$2,845 as proposed by the House and \$4,270 as proposed by the Senate. The increase in funds provided this agency is allowed with a view to expediting the work of the Commission and bringing its duties to a conclusion at an early date.

INTERSTATE COMMERCE COMMISSION

Amendments Nos. 47 and 48—*General expenses*: Appropriate \$9,600,000 instead of \$9,665,000 as proposed by the Senate and \$9,466,176 as proposed by the House, including funds to implement the report of the Wolf Management Engineering Co., which is strongly recommended by the conferees. The conferees have authorized the use of \$251,650 for expenses of travel instead of \$212,645 as proposed by the House and \$290,650 as proposed by the Senate.

NATIONAL ADVISORY COMMITTEE FOR AERONAUTICS

Amendments Nos. 49 and 50—*Salaries and expenses*: Appropriate \$51,000,000 as proposed by the Senate instead of \$52,988,050 as proposed by the House; and authorize the use of \$310,000 for expenses of travel instead of \$216,700 as proposed by the House and \$325,000 as proposed by the Senate.

NATIONAL CAPITAL PLANNING COMMISSION

Amendments Nos. 51 and 52—*Salaries and expenses*: Appropriate \$125,000 instead of \$97,915 as proposed by the House and \$155,000 as proposed by the Senate; and authorize the use of \$5,630 for expenses of travel instead of \$4,260 as proposed by the House and \$7,000 as proposed by the Senate.

NATIONAL SCIENCE FOUNDATION

Amendments Nos. 54 and 55—*Salaries and expenses*: Appropriate \$8,000,000 instead of \$5,724,400 as proposed by the House and \$10,000,000 as proposed by the Senate; and authorize the use of \$89,500 for expenses of travel instead of \$78,000 as proposed by the House and \$101,000 as proposed by the Senate.

RENEGOTIATION BOARD

Amendment No. 56—*Expenses of travel*: Authorizes the use of \$272,150 for expenses of travel instead of \$238,700 as proposed by the House and \$305,600 as proposed by the Senate.

SECURITIES AND EXCHANGE COMMISSION

Amendments Nos. 57 and 58—*Salaries and expenses*: Appropriate \$5,000,000 as proposed by the Senate instead of \$5,245,080 as proposed by the House; and authorize the use of \$127,000 for expenses of travel instead of \$104,170 as proposed by the House and \$150,000 as proposed by the Senate.

SMITHSONIAN INSTITUTION

Amendments Nos. 59 and 60—*Salaries and expenses*: Appropriate \$3,000,000 as proposed by the Senate instead of \$2,897,500 as proposed by the House; and authorize the use of \$10,225 for expenses of travel as proposed by the Senate instead of \$6,825 as proposed by the House.

Amendment No. 61—*Salaries and expenses, National Gallery of Art*: Authorizes the use of \$1,800 for expenses of travel as proposed by the Senate instead of \$1,600 as proposed by the House.

SUBVERSIVE ACTIVITIES CONTROL BOARD

Amendments Nos. 62 and 63—*Salaries and expenses*: Authorize the use of \$12,500 for expenses of travel instead of \$10,000 as proposed by the House and \$15,000 as proposed by the Senate; and the use of \$100 for purchase of newspapers and periodicals as proposed by the House instead of \$500 as proposed by the Senate.

TARIFF COMMISSION

Amendment No. 64—*Salaries and expenses*: Authorizes the use of \$13,500 for expenses of travel instead of \$11,335 as proposed by the House and \$14,500 as proposed by the Senate.

THE TAX COURT OF THE UNITED STATES

Amendment No. 65—*Salaries and expenses*: Authorizes the use of \$45,000 for expenses of travel as proposed by the Senate instead of \$40,000 as proposed by the House.

WAR CLAIMS COMMISSION

Amendments Nos. 66 and 67—*Administrative expenses*: Appropriate \$850,000 as proposed by the Senate instead of \$750,000 as proposed by the House; and authorize the use of \$6,260 for expenses of travel instead of \$5,000 as proposed by the House and \$7,520 as proposed by the Senate. In providing the increased amount proposed by the Senate the conferees recommend that the additional sum be used to assist in the early completion of the work of the Commission.

TITLE II—CORPORATIONS

HOUSING AND HOME FINANCE AGENCY

Amendments Nos. 68 and 69—*Federal National Mortgage Association*: Authorize the use of \$3,250,000 of available funds for administrative expenses instead of \$2,300,000 as proposed by the House and \$4,200,000 as proposed by the Senate; and authorize the use of \$108,175 for expenses of travel instead of \$95,750 as proposed by the House and \$120,600 as proposed by the Senate.

Amendments Nos. 70 and 71—*Housing loan programs*: Authorize the use of \$525,625. from available funds for administrative expenses, instead of \$411,250 as proposed by the House and \$640,000 as proposed by the Senate; and authorize the use of \$27,000 for expenses of travel instead of \$26,330 as proposed by the House and \$27,600 as proposed by the Senate.

Amendment No. 72—*Home Loan Bank Board*: Authorizes the use of \$25,000 for expenses of travel instead of \$20,000 as proposed by the House and the elimination of such limitation as proposed by the Senate.

Amendment No. 73—*Federal Savings and Loan Insurance Corporation*: Authorizes the use of \$5,450 for expenses of travel instead of \$4,370 as proposed by the House and \$6,500 as proposed by the Senate.

Amendments Nos. 74, 75, 76, 77, and 78—*Federal Housing Administration*: Authorize the use of \$5,322,800 for administrative expenses instead of \$5,045,590 as proposed by the House and \$5,600,000 as proposed by the Senate; authorize the use of \$157,750 for expenses of travel instead of \$131,000 as proposed by the House and \$184,500 as proposed by the Senate; authorize the use of \$500 for the purchase of periodicals and newspapers as proposed by the House instead of \$1,500 as proposed by the Senate; provide \$26,500,000 for nonadministrative expenses as proposed by the Senate instead of \$27,500,000 as proposed by the House; and restore the provision of the House repealing the authorization for the position of Assistant Commissioner established pursuant to section 213 (f) of the National Housing Act, as amended.

Amendments Nos. 79, 80, and 81—*Public Housing Administration*: Authorize the use of \$10,975,000 of available funds for administrative expenses instead of \$8,973,000 as proposed by the House and \$13,025,000 as proposed by the Senate; authorize the use of \$800,000 for expenses of travel instead of \$685,300 as proposed by the House and \$916,000 as proposed by the Senate; and restore the proposal of the House requiring the Commissioner to make every effort to refund local bonds held by PHA.

JOHN PHILLIPS,
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JOHN TABER,
ALBERT THOMAS,

Managers on the Part of the House.



have studied the subject know they will never follow them out.

At this same meeting, one of those present quoted Federal Reserve Board statistics showing that only 51 percent of American families have any indebtedness at all; that 23 percent have no installment debt; that 40 percent of installment debt is less than \$100 and that only 10 percent is a debt of more than \$1,000. He asked Governor Martin how he could reconcile these figures with the Board's contention that there is too much individual debt. Governor Martin replied that he did not believe these figures, although he frankly admitted that they came from his own economists.

Some time ago, the Board hired the University of Michigan to make a survey of the spending habits of the American people. This study has just been made public. Curiously enough, it supports my own economic study of installment credit. The Michigan survey further supports studies made by the economics division of the National Foundation for Consumer Credit, directed by Albert J. Miller, Jr. The foundation is a nationwide, nonprofit research organization financed by large and small manufacturers, big and little retailers, bankers and other financing institutions. The foundation is attempting to educate the public in the careful use of installment credit and it has consistently opposed the no-money-down, 20-years-to-pay idea.

Between 1941 and 1952, the Federal Reserve Board used the phony argument that installment-credit controls were necessary to halt inflation. They now have changed this line of attack on the durable-goods industry with official statements that they want to protect the buyer against himself. In other words, they now seek socially oppressive legislation which is obnoxious anyhow and certainly has no place in the Federal Reserve Board which is supposed to look after fiscal policies only.

For the life of me I cannot understand why a retailer cannot sell on terms that are mutually agreeable to him and the buyer. Retailers and lending institutions are risking private venture capital. Yet, this is the very point that disturbs William McChesney Martin, Chairman of the Federal Reserve Board. I want to quote his amazing statement made before the House Banking and Currency Committee. On May 5, 1953, he testified as follows:

Mr. MARTIN. That is right. But what I am saying to Mr. Deane is that leaving past history out of it, it is not the volume of consumer credit that has alarmed us, because relating it to the gross national production, I am not convinced that it is excessive, but the terms of the credit, as reported to us, from time to time—granted that our information is not quite as precise as we would like to have it—have not always been prudent, and I question, as a matter of prudence, makings sales with no downpayments, or whether it is completely fair to the consumer if the downpayment is obscured in the body of the terms.

That is a matter of prudence, not of credit policy, however.

THOSE USING INSTALLMENT CREDIT HAVE LIQUID ASSETS FAR IN EXCESS OF THEIR COMMITMENTS WHICH THE FEDERAL RESERVE BOARD FAILS TO POINT OUT

In its efforts to promote permanent installment credit controls, the Board ignores the fact that mass production depends on mass sales and that mass sales depend on installment credit. No other nation in all history has developed this type of credit to our high level. Installment credit has expanded our economy and has made us prosperous. Obviously, the Board does not want the public to have these facts, for the simple reason that they would kill their chances for permanent controls. Installment credit is enforced savings and a sound business practice for American families. Why should the average family pay outright cash for an automobile, a refrigerator or furniture that will last them anywhere from 5 to 20 years, even if they had the cash? It simply does not make sense to compel people to pay for durable goods in advance. It is the retailer who takes the risk, and if he wants to take that risk it is his own business and of no concern of the Federal Government.

According to the Michigan study, families with incomes ranging between \$3,000 and \$7,500 in 1952 received 56 percent of the total national income. This group is the biggest user of consumer credit and the study shows that in 1953 they held 44 percent of the country's total liquid assets. All of this adds up to the incontrovertible fact that these families are in a sound financial position and very well able to use installment credit. Fifty percent of the spending units studied by the University of Michigan are in this group. The Board defines liquid assets as deposits in checking and savings accounts, shares in savings and loans associations, and Government securities.

In this connection I quote from page 4 of the 1953 Survey of Consumer Finances which is the University of Michigan study:

Debtors are found most frequently at middle to moderately high income levels (\$3,000 to \$7,500), and especially among younger married families with children. This finding gives support to the belief that the rapid growth of credit in recent years is related in part to the high rate of family formation during and since the war. Younger families attempt to acquire, in a relatively short time, the large stock of consumer durable goods that enters into the accepted standard of living. At the same time, the younger groups with children tend to have smaller liquid asset holdings than older groups. To finance their outlays for automobiles and major household goods, which in recent years have totaled roughly two-thirds of total consumer purchases of these goods, the half of the population made up of younger spending units (under 45 years of age) need and are willing to use credit. Their income experience encourages them to use credit to satisfy their needs, inasmuch as younger spending units have generally received income increases with considerably greater frequency than older units in the postwar period, and in the 1949 downturn had fewer income declines.

With the income of this group and its vast liquid assets the question arises why

they use installment credit at all. The answer is that they elect to maintain their cash position and at the same time force themselves to buy automobiles and household appliances on a pay-as-you-go basis which are savings as I have already said. They could, if they wished, retire virtually the whole of their installment and noninstallment commitments, since income combined with liquid assets is a commonly accepted rule-of-thumb index of the consumer's ability to pay. The importance of liquid assets is that they represent the ready means to discharge the full amount of consumer credit outstandings if and when the buyer is suddenly called on to do so.

FEDERAL RESERVE BOARD REVERSES ITSELF ON THE AMOUNT OF OUTSTANDING CONSUMER CREDIT BY SUBTRACTING ITEMS THAT SHOULD NEVER HAVE BEEN IN THERE IN THE FIRST PLACE

Since 1941, the Federal Reserve Board has juggled figures in an effort to bloat the amount of consumer credit outstanding in the hope that these figures would scare the American public and stampede Congress into granting them permanent controls over installment credit. Now the Board, through its Michigan study, reverses itself. In its latest figures, issued in June, 1953, the Board contends that those who buy TV sets, automobiles, and household appliances, and borrow money for doctors' bills owe \$26 billions. The Board arrives at this fantastic amount by including large amounts of business debt, charge accounts, and debts incurred for additions and repairs to homes. Obviously, these items are not consumer debt at all. The Michigan study strikes out all of these items. They should have sliced automobile debt, since more than 50 percent of cars are used for business even when owned by individuals such as salesmen and factory workers, many of whom could not get to work without them. Apparently, the Federal Reserve Board believes that automobiles are bought for joyriding purposes alone.

The healthiest part of our huge debt structure is installment credit. Our money is based on debt. If everybody paid their debts, we would not have enough money for business purposes. In the healthiest economy people go into debt, pay off and go into debt again. Our total debt is over \$600 billion, which includes Federal and State Government, municipalities and commercial debt. Even if the Federal Reserve Board's figure of \$26 billion owed by individuals were true, it is a mere bagatelle when related to the more than \$600 billion.

At any rate, if we subtract the home-repair and modernization loans which the Board says is currently \$1,500,000,000 and the charge accounts which the Board places at \$2,700,000,000, we find a total of \$4,200,000,000, which clearly does not belong in the \$26 billion total. If, further, we subtract 50 percent of the money owed by automobile owners, which the Board says amounts to \$9 billion, we find an additional \$4,500,000,000 which do not belong in the total amount of outstanding consumer credit.

The \$26 billion, therefore, which the Board says individuals owe to retailers, commercial banks, and other lending institutions is a highly inaccurate figure.

The Federal Reserve Board has been trying for years to get across the impression that installment credit has become a runaway machine without brakes which only the Board, in its great wisdom, could control. The Michigan study, for which the Board paid in excess of \$150,000, contradicts this also. The Michigan study reveals that only 53 percent of American families were using installment and other forms of consumer credit in early 1952 and that 47 percent were not using credit at all. Of those who do use credit, 75 percent owed amounts running from 1 percent to 19 percent of their incomes, while only 25 percent owed amounts in excess of 20 percent of their incomes.

All of this adds up to the fact that the Federal Reserve Board is talking out of both sides of its mouth. It says one thing and its agent, the University of Michigan, says another.

I can say only this: that if the Board comes up here in January and asks for permanent controls over installment credit, which is their intention, they are going to have a rough time. Neither the Congress nor the American public will tolerate this outlandish proposal.

(Mr. PATMAN asked and was given permission to revise and extend his remarks.)

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. MERROW (at the request of Mr. HALLECK), on account of funeral of Senator TOBEY.

Mr. GORDON, for an indefinite period, on account of illness in family.

FIRST INDEPENDENT OFFICES APPROPRIATIONS, 1954—CONFERENCE REPORT

Mr. PHILLIPS submitted the following conference report and statement:

CONFERENCE REPORT (H. REPT. No. 997)

The committee of conference on the disagreeing votes of the two Houses on certain amendments of the Senate to the bill (H. R. 4663) making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1954, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 5, 14, 21, 25, 26, 37, 38, 39, 63, 76, 78, and 81.

That the House recede from its disagreement to the amendments of the Senate numbered 1, 2, 3, 7, 8, 11, 15, 18, 20, 28, 30, 34, 35, 36, 40, 44, 50, 58, 59, 60, 61, 65, 67, and 77, and agree to the same.

Amendment numbered 4: That the House recede from its disagreement to the amendment of the Senate numbered 4, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "\$8,500,000"; and the Senate agree to the same.

Amendment numbered 6: That the House recede from its disagreement to the amend-

ment of the Senate numbered 6, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "\$476,670"; and the Senate agree to the same.

Amendment numbered 10: That the House recede from its disagreement to the amendment of the Senate numbered 10, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "\$88,000"; and the Senate agree to the same.

Amendment numbered 12: That the House recede from its disagreement to the amendment of the Senate numbered 12, and agree to the same with an amendment as follows: Restore the matter stricken by said amendment, amending the first sum named therein as follows: "\$1,018,496"; and the Senate agree to the same.

Amendment numbered 13: That the House recede from its disagreement to the amendment of the Senate numbered 13, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "\$210,000"; and the Senate agree to the same.

Amendment numbered 16: That the House recede from its disagreement to the amendment of the Senate numbered 16, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "\$184,750"; and the Senate agree to the same.

Amendment numbered 17: That the House recede from its disagreement to the amendment of the Senate numbered 17, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "\$24,300"; and the Senate agree to the same.

Amendment numbered 19: That the House recede from its disagreement to the amendment of the Senate numbered 19, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "\$146,700"; and the Senate agree to the same.

Amendment numbered 22: That the House recede from its disagreement to the amendment of the Senate numbered 22, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "\$80,430"; and the Senate agree to the same.

Amendment numbered 23: That the House recede from its disagreement to the amendment of the Senate numbered 23, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "\$157,450"; and the Senate agree to the same.

Amendment numbered 24: That the House recede from its disagreement to the amendment of the Senate numbered 24, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "\$30,750"; and the Senate agree to the same.

Amendment numbered 27: That the House recede from its disagreement to the amendment of the Senate numbered 27, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "\$93,400"; and the Senate agree to the same.

Amendment numbered 29: That the House recede from its disagreement to the amendment of the Senate numbered 29, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "\$176,275"; and the Senate agree to the same.

Amendment numbered 31: That the House recede from its disagreement to the amendment of the Senate numbered 31, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "\$193,550"; and the Senate agree to the same.

Amendment numbered 32: That the House recede from its disagreement to the amendment of the Senate numbered 32, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "\$3,215,550"; and the Senate agree to the same.

Amendment numbered 41: That the House recede from its disagreement to the amendment of the Senate numbered 41, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "\$6,950,000"; and the Senate agree to the same.

Amendment numbered 42: That the Senate recede from its disagreement to the amendment of the House to the amendment of the Senate No. 42, and agree to the same.

Amendment numbered 43: That the Senate recede from its disagreement to the amendment of the House to the amendment of the Senate No. 43, and agree to the same.

Amendment numbered 45: That the House recede from its disagreement to the amendment of the Senate numbered 45, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "\$3,560"; and the Senate agree to the same.

Amendment numbered 47: That the House recede from its disagreement to the amendment of the Senate numbered 47, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "\$251,650"; and the Senate agree to the same.

Amendment numbered 48: That the House recede from its disagreement to the amendment of the Senate numbered 48, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "\$9,600,000"; and the Senate agree to the same.

Amendment numbered 49: That the House recede from its disagreement to the amendment of the Senate numbered 49, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "\$310,000"; and the Senate agree to the same.

Amendment numbered 51: That the House recede from its disagreement to the amendment of the Senate numbered 51, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "\$5,630"; and the Senate agree to the same.

Amendment numbered 52: That the House recede from its disagreement to be amendment of the Senate numbered 52, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "\$125,000"; and the Senate agree to the same.

Amendment numbered 54: That the House recede from its disagreement to the amendment of the Senate numbered 54, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "\$89,500"; and the Senate agree to the same.

Amendment numbered 55: That the House recede from its disagreement to the amendment of the Senate numbered 55, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "\$8,000,000"; and the Senate agree to the same.

Amendment numbered 56: That the House recede from its disagreement to the amendment of the Senate numbered 56, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "\$272,150"; and the Senate agree to the same.

Amendment numbered 57: That the House recede from its disagreement to the amendment of the Senate numbered 57, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amend-

ment insert "\$127,000"; and the Senate agree to the same.

Amendment numbered 62: That the House recede from its disagreement to the amendment of the Senate numbered 62, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "\$12,500"; and the Senate agree to the same.

Amendment numbered 64: That the House recede from its disagreement to the amendment of the Senate numbered 64, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "\$13,500"; and the Senate agree to the same.

Amendment numbered 66: That the House recede from its disagreement to the amendment of the Senate numbered 66, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "\$6,260"; and the Senate agree to the same.

Amendment numbered 68: That the House recede from its disagreement to the amendment of the Senate numbered 68, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "\$3,250,000"; and the Senate agree to the same.

Amendment numbered 69: That the House recede from its disagreement to the amendment of the Senate numbered 69, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "\$108,175"; and the Senate agree to the same.

Amendment numbered 70: That the House recede from its disagreement to the amendment of the Senate numbered 70, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "\$525,625"; and the Senate agree to the same.

Amendment numbered 71: That the House recede from its disagreement to the amendment of the Senate numbered 71, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "\$27,000"; and the Senate agree to the same.

Amendment numbered 72: That the House recede from its disagreement to the amendment of the Senate numbered 72, and agree to the same with an amendment as follows: Restore the matter stricken by said amendment, amending the sum named therein as follows: "\$25,000"; and the Senate agree to the same.

Amendment numbered 73: That the House recede from its disagreement to the amendment of the Senate numbered 73, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "\$5,450"; and the Senate agree to the same.

Amendment numbered 74: That the House recede from its disagreement to the amendment of the Senate numbered 74, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "\$5,322,800"; and the Senate agree to the same.

Amendment numbered 75: That the House recede from its disagreement to the amendment of the Senate numbered 75, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "\$157,750"; and the Senate agree to the same.

Amendment numbered 79: That the House recede from its disagreement to the amendment of the Senate numbered 79, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "\$10,975,000"; and the Senate agree to the same.

Amendment numbered 80: That the House recede from its disagreement to the amendment of the Senate numbered 80, and agree

to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "\$800,000"; and the Senate agree to the same.

JOHN PHILLIPS,
CHARLES R. JONAS,
OTTO KRUEGER,
JOHN TABER,
ALBERT THOMAS,

Managers on the Part of the House.

LEVERETT SALTONSTALL,
STYLES BRIDGES,
HOMER FERGUSON,
GUY CORDON,
BURNET MAYBANK,
ALLEN J. ELLENDER,
LISTER HILL,

Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on certain amendments of the Senate to the bill (H. R. 4663) making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1954, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying conference report as to each of such amendments, namely:

EXECUTIVE OFFICE OF THE PRESIDENT

Emergency fund for the President

Amendment No. 1—National Defense: Appropriates \$300,000 as proposed by the Senate instead of \$500,000 as proposed by the House.

INDEPENDENT OFFICES

American Battle Monuments Commission

Amendment No. 2—Salaries and expenses: Authorizes the use of \$12,000 for expenses of travel as proposed by the Senate instead of \$8,000 as proposed by the House.

Amendments Nos. 3, 4, and 5—Construction of memorials and cemeteries: Authorize the use of \$41,276 for expenses of travel as proposed by the Senate instead of \$27,520 as proposed by the House; and appropriate \$8,500,000 for such construction instead of \$9,500,000 as proposed by the House and \$4,500,000 plus \$4,000,000 in the form of foreign currencies or credits as proposed by the Senate.

Civil Service Commission

Amendments Nos. 6 and 7—Salaries and expenses: Appropriate \$17,000,000 as proposed by the Senate instead of \$16,064,323 as proposed by the House; and authorize the use of \$476,670 for expenses of travel instead of \$383,335 as proposed by the House and \$570,000 as proposed by the Senate.

Federal Communications Commission

Amendment No. 8—Land and structures: Authorizes the use of \$13,000 for such purpose as proposed by the Senate instead of \$3,000, as proposed by the House.

Amendments Nos. 10, 11, and 12—Salaries and expenses: Authorize the use of \$88,000 for expenses of travel instead of \$73,335 as proposed by the House and \$90,000 as proposed by the Senate; appropriate \$7,400,000 as proposed by the Senate instead of \$7,100,000 as proposed by the House; and restore the provision of the House, making specific amounts available for application processing in connection with television licenses and licenses for safety and special services amended to provide that not less than \$1,018,496 shall be available for TV application processing.

Federal Power Commission

Amendment No. 13—Salaries and expenses: Authorizes the use of \$210,000 for expenses of travel instead of \$173,335 as proposed by the House and \$240,000 as proposed by the Senate.

Federal Trade Commission

Amendments Nos. 14 and 15—Salaries and expenses: Appropriate \$4,053,800 as proposed by the Senate instead of \$4,178,800 as proposed by the House; and authorize the use of \$163,035 for expenses of travel as proposed by the House instead of \$196,435 as proposed by the Senate. The conference committee was urged to authorize the use of funds appropriated to the Commission for employment of a firm of management consultants to make a survey of the Commission. Under the rules of conference the conferees were unable to comply with this request. However, it is believed the project is desirable, and it is suggested that the Commission call upon the Bureau of the Budget for assistance in this connection, a substantial sum having been recently provided this agency for improvement of management in the executive branch.

General Services Administration

Amendment No. 16—Operating expenses: Authorizes the use of \$184,750 for expenses of travel, Public Buildings Service, instead of \$161,200 as proposed by the House and \$208,300 as proposed by the Senate.

Amendments Nos. 17 and 18—Emergency operating expenses: Appropriate \$20,000,000 as proposed by the Senate instead of \$22,668,250 as proposed by the House; and authorize the use of \$24,300 for expenses of travel instead of \$22,865 as proposed by the House and \$30,000 as proposed by the Senate.

Amendments Nos. 19 and 20—Repair, improvement, and equipment, outside the District of Columbia: Appropriate \$14,000,000 as proposed by the Senate instead of \$18,000,000 as proposed by the House; and authorize the use of \$146,700 for expenses of travel instead of \$133,400 as proposed by the House and \$160,000 as proposed by the Senate.

Amendment No. 21—Remodeling of Congress Street Post Office, Chicago, Ill.: Authorize the use of \$800 for expenses of travel as proposed by the House instead of \$1,200 as proposed by the Senate.

Amendments Nos. 22 and 23—Federal Supply Service: Authorize the use of \$80,430 for expenses of travel, operating expenses, instead of \$79,865 as proposed by the House and \$81,000 as proposed by the Senate; and \$157,450 for expenses of travel under the heading "Expenses, general supply fund," instead of \$140,700 as proposed by the House and \$174,200 as proposed by the Senate.

Amendments Nos. 24, 25, and 26—National Archives and Records Service: Appropriate \$5,625,000 as proposed by the House instead of \$5,525,000 as proposed by the Senate; provide \$200,000 for nitrate film conversion as proposed by the House instead of \$100,000 as proposed by the Senate; and authorize the use of \$30,750 for expenses of travel instead of \$24,600 as proposed by the House and \$36,900 as proposed by the Senate.

Amendments Nos. 27 and 28—Administrative operations: Appropriate \$4,200,000 as proposed by the Senate instead of \$4,140,750 as proposed by the House; and authorize \$93,400 for expenses of travel instead of \$88,600 as proposed by the House and \$98,200 as proposed by the Senate.

Amendment No. 29—Strategic and critical materials: Authorizes the use of \$176,275 for expenses of travel instead of \$143,000 as proposed by the House and \$209,550 as proposed by the Senate.

Amendment No. 30—Purchase of typewriters: Strikes out the proposal of the House to include State governments as an exception within the provisions of the limitation.

Housing and Home Finance Agency

Office of the Administrator

Amendments Nos. 31 and 32—Salaries and expenses: Appropriate \$3,215,550 instead of \$2,587,100 as proposed by the House and

\$3,455,000 as proposed by the Senate; and authorize the use of \$193,550 for expenses of travel instead of \$175,800 as proposed by the House and \$211,300 as proposed by the Senate.

Amendments Nos. 34, 35, and 36—Miscellaneous provisions: Strike out provisions in the House bill proposing a reorganization survey; assigning certain reorganization powers to the Administrator; and fixing a limit on expenditures in connection with loans to educational institutions; as proposed by the Senate.

Amendment No. 37—Defense Community Facilities and Services: Reappropriates not to exceed \$112,500, for administrative expenses, as proposed by the House instead of \$115,000 as proposed by the Senate.

Amendments Nos. 38, 39, and 40—Capital grants for slum clearance and urban redevelopment: Restore the provision of the House bill requiring the Administrator to give consideration to the efforts of the locality to enforce local codes and regulations; restore the provision of the House requiring that the authority under title I of the National Housing Act shall be used to the utmost in connection with slum-rehabilitation needs; and strike out the proposal of the House excluding expenditures by the community for parks, playgrounds, public buildings, or similar facilities as being counted as a part of the one-third contribution required of such community.

Public Housing Administration

Amendment No. 41—Administrative expenses: Appropriates \$6,950,000 instead of \$4,948,000 as proposed by the House and \$8,000,000 as proposed by the Senate.

Amendment No. 42—Rejection of project by a community: The Senate recedes from its disagreement to the amendment of the House to the amendment of the Senate in connection with such amendment.

Amendment No. 43—Authorization of additional dwelling units: The Senate recedes from its disagreement to the amendment of the House to the amendment of the Senate and agrees to the same. These provisions permit the building of 20,000 units during the 1954 fiscal year. They require the Administrator to make a study of the program and submit his recommendation before February 1, 1954. The conferees realize that one Congress cannot bind any other Congress on this or any other housing program.

Indian Claims Commission

Amendments Nos. 44 and 45—Salaries and expenses: Appropriate \$117,020 as proposed by the Senate instead of \$111,020 as proposed by the House; and authorize the use of \$3,560 for expenses of travel instead of \$2,845 as proposed by the House and \$4,270 as proposed by the Senate. The increase in funds provided this agency is allowed with a view to expediting the work of the Commission and bringing its duties to a conclusion at an early date.

Interstate Commerce Commission

Amendments Nos. 47 and 48—General expenses: Appropriate \$9,600,000, instead of \$9,665,000 as proposed by the Senate and \$9,466,176 as proposed by the House, including funds to implement the report of the Wolf Management Engineering Company, which is strongly recommended by the conferees. The conferees have authorized the use of \$251,650 for expenses of travel instead of \$212,645 as proposed by the House and \$290,650 as proposed by the Senate.

National Advisory Committee for Aeronautics

Amendments Nos. 49 and 50—Salaries and expenses: Appropriate \$51,000,000 as proposed by the Senate instead of \$52,988,050 as proposed by the House; and authorize the use of \$310,000 for expenses of travel instead

of \$216,700 as proposed by the House and \$325,000 as proposed by the Senate.

National Capital Planning Commission

Amendments Nos. 51 and 52—Salaries and expenses: Appropriate \$125,000 instead of \$97,915 as proposed by the House and \$155,000 as proposed by the Senate; and authorize the use of \$5,630 for expenses of travel instead of \$4,260 as proposed by the House and \$7,000 as proposed by the Senate.

National Science Foundation

Amendments Nos. 54 and 55—Salaries and expenses: Appropriate \$8,000,000 instead of \$5,724,400 as proposed by the House and \$10,000,000 as proposed by the Senate; and authorize the use of \$89,500 for expenses of travel instead of \$78,000 as proposed by the House and \$101,000 as proposed by the Senate.

Renegotiation Board

Amendment No. 56—Expenses of travel: Authorizes the use of \$272,150 for expenses of travel instead of \$238,700 as proposed by the House and \$305,600 as proposed by the Senate.

Securities and Exchange Commission

Amendments Nos. 57 and 58—Salaries and expenses: Appropriate \$5,000,000 as proposed by the Senate instead of \$5,245,080 as proposed by the House; and authorize the use of \$127,000 for expenses of travel instead of \$104,170 as proposed by the House and \$150,000 as proposed by the Senate.

Smithsonian Institution

Amendments Nos. 59 and 60—Salaries and expenses: Appropriate \$3,000,000 as proposed by the Senate instead of \$2,897,500 as proposed by the House; and authorize the use of \$10,225 for expenses of travel as proposed by the Senate instead of \$6,825 as proposed by the House.

Amendment No. 61—Salaries and expenses, National Gallery of Art: Authorizes the use of \$1,800 for expenses of travel as proposed by the Senate instead of \$1,600 as proposed by the House.

Subversive Activities Control Board

Amendments Nos. 62 and 63—Salaries and expenses: Authorize the use of \$12,500 for expenses of travel instead of \$10,000 as proposed by the House and \$15,000 as proposed by the Senate; and the use of \$100 for purchase of newspapers and periodicals as proposed by the House instead of \$500 as proposed by the Senate.

Tariff Commission

Amendment No. 64—Salaries and expenses: Authorizes the use of \$13,500 for expenses of travel instead of \$11,335 as proposed by the House and \$14,500 as proposed by the Senate.

The Tax Court of the United States

Amendment No. 65—Salaries and expenses: Authorizes the use of \$45,000 for expenses of travel as proposed by the Senate instead of \$40,000 as proposed by the House.

War Claims Commission

Amendments Nos. 66 and 67—Administrative expenses: Appropriate \$850,000 as proposed by the Senate instead of \$750,000 as proposed by the House; and authorize the use of \$6,260 for expenses of travel instead of \$5,000 as proposed by the House and \$7,520 as proposed by the Senate. In providing the increased amount proposed by the Senate the conferees recommended that the additional sum be used to assist in the early completion of the work of the Commission.

TITLE II—CORPORATIONS

Housing and Home Finance Agency

Amendments Nos. 68 and 69—Federal National Mortgage Association: Authorize the use of \$3,250,000 of available funds for administrative expenses instead of \$2,300,000 as proposed by the House and \$4,200,000 as pro-

posed by the Senate; and authorize the use of \$108,175 for expenses of travel instead of \$95,750 as proposed by the House and \$120,600 as proposed by the Senate.

Amendments Nos. 70 and 71—Housing loan programs: Authorize the use of \$525,625, from available funds for administrative expenses, instead of \$411,250 as proposed by the House and \$640,000 as proposed by the Senate; and authorize the use of \$27,000 for expenses of travel instead of \$26,330 as proposed by the House and \$27,600 as proposed by the Senate.

Amendment No. 72—Home Loan Bank Board: Authorizes the use of \$25,000 for expenses of travel instead of \$20,000 as proposed by the House and the elimination of such limitation as proposed by the Senate.

Amendment No. 73—Federal Savings and Loan Insurance Corporation: Authorizes the use of \$5,450 for expenses of travel instead of \$4,370 as proposed by the House and \$6,500 as proposed by the Senate.

Amendments Nos. 74, 75, 76, 77, and 78—Federal Housing Administration: Authorize the use of \$5,322,800 for administrative expenses instead of \$5,045,590 as proposed by the House and \$5,600,000 as proposed by the Senate; authorize the use of \$157,750 for expenses of travel instead of \$131,000 as proposed by the House and \$184,500 as proposed by the Senate; authorize the use of \$500 for the purchase of periodicals and newspapers as proposed by the House instead of \$1,500 as proposed by the Senate; provide \$26,500,000 for nonadministrative expenses as proposed by the Senate instead of \$27,500,000 as proposed by the House; and restore the provision of the House repealing the authorization for the position of Assistant Commissioner established pursuant to section 213 (f) of the National Housing Act, as amended.

Amendments Nos. 79, 80, and 81—Public Housing Administration: Authorize the use of \$10,975,000 of available funds for administrative expenses instead of \$8,973,000 as proposed by the House and \$13,025,000 as proposed by the Senate; authorize the use of \$800,000 for expenses of travel instead of \$685,300 as proposed by the House and \$916,000 as proposed by the Senate; and restore the proposal of the House requiring the Commissioner to make every effort to refund local bonds held by PHA.

JOHN PHILLIPS,
CHARLES R. JONAS,
OTTO KRUEGER,
JOHN TABER,
ALBERT THOMAS,

Managers on the Part of the House.

DEPARTMENTS OF LABOR, AND HEALTH, EDUCATION, AND WELFARE, AND RELATED INDEPENDENT AGENCIES APPROPRIATIONS, 1954—CONFERENCE REPORT

Mr. BUSBEY submitted the following conference report and statement:

CONFERENCE REPORT (H. REPT. No. 995)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 5246) making appropriations for the Departments of Labor, and Health, Education, and Welfare, and related independent agencies, for the fiscal year ending June 30, 1954, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 11, 13, 21, 45, 50, 56 and 60;

That the House recede from its disagreement to the amendments of the Senate numbered 6, 8, 12, 14, 15, 16, 22, 27, 29, 31, 32, 41,

Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE
(For Department Staff Only)

Issued July 29, 1953
For actions of July 28, 1953
83rd-1st, No. 142

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HIGHLIGHTS: Senate passed sale of surplus commodities to foreign countries and drought-relief appropriation bills. House Rules Committee cleared famine relief, forest-loans, and Wheat Agreement bills. House committees reported Alaska forest survey, fur-farmer loans, and animal-disease bills. Mexican farm-labor bill sent to conference. House passed immigration bill. House agreed to Senate amendments to customs-simplification bill.

SENATE

1. SURPLUS COMMODITIES. Passed with amendment S. 2475, which authorizes the President (1) to sell surplus agricultural commodities for foreign currencies and (2) to convert into dollars foreign currencies acquired by private exporters of such commodities. The total value of CCC stocks and funds which might be made available for these operations would be \$500 million. The Corporation would be reimbursed from appropriations made for that purpose or, in the case of local currencies used for the purposes of the Mutual Security Act, from ISA funds. (pp. 10424-37.)

2. APPROPRIATIONS. Passed as reported H. J. Res. 305, the drought-relief appropriation measure (pp. 10423-4). As passed by the Senate, this proposal carries the same amounts as the House version, and there was only one technical amendment. Both Houses agreed to the conference reports on H. R. 5471, the D. C. appropriation bill; H. R. 4663, the first independent offices appropriation bill; and H. R. 5246, the Labor-HEW appropriation bill (pp. 10416-22, 10326-33). These bills will now be sent to the President.

The Appropriations Committee reported with amendments H. R. 5805, the legislative-judiciary appropriation bill (S. Rept. 687)(p. 10405).

3. FARM LABOR. Senate and House conferees were appointed on H. R. 3480, to continue

- the Mexican farm labor program (pp. 10333-4, 10474).
4. IMMIGRATION. Began debate on S. 1917, to authorize the issuance of special visas to certain refugees, etc. (pp. 10443-73).
 5. PUBLIC LANDS. Senate conferees were appointed on S. 1397, to clarify the status of certain mining claims, and S. 2220, to amend the mineral leasing laws with respect to their application in the case of pipelines passing through the public domain (p. 10426).
 6. FARM LOANS. Received from this Department a proposed bill to further amend Sec. 13 of the Federal Farm Loan Act to authorize the Federal land banks to make a bulk purchase of certain remaining assets of the Federal Farm Mortgage Corporation; to Agriculture and Forestry Committee (p. 10405). Also received in the House; to Agriculture Committee (p. 10400).
 7. FARM PRICES. Sen. Humphrey inserted local statements favoring more action to assure adequate farm prices (p. 10405).
 8. TRANSPORTATION. Agreed, as reported, to S. Res. 140, to provide for a study of transportation facilities in the D. C. area, which had been reported with amendments earlier in the day (S. Rept. 693)(p. 10410).
 9. EXPENDITURES; PERSONNEL. The Joint Committee on Reduction of Nonessential Federal Expenditures submitted a report on Federal employment, etc. (pp. 10411-4).
 10. SUPPLEMENTAL APPROPRIATION BILL, 1954. In reporting this bill, H. R. 6200 (see Digest 141), the committee took the following actions:
 - Added an item of \$3,000,000 to formulate and carry out corn acreage allotments for the 1954 crop, compared with a Budget estimate of \$7,500,000. The committee report states: "The Committee is of the opinion that if economy is practiced, the sum of \$3 million will be adequate. However, if it is found that this is not possible, the committee will consider a reasonable supplemental request at the next session of Congress."
 - Inserted a provision that the funds appropriated by Public Law 371, 82nd Cong., for drought relief shall remain available until Dec. 31, 1954.
 - Added the following general provision: "Funds made available in this or any other Act shall hereafter be available for examination of estimates in the field and the use of such funds for such purpose shall be subject only to regulations by the standing committees concerned."
 - Added a general provision limiting the use of chauffeurs.
 11. INTERIOR APPROPRIATION BILL. In reporting this bill, H. R. 4828 (see Digest 141), the House conferees made the following statement regarding Southwestern Power Administration: "None of the funds allowed are to be used for the purpose of implementing existing contracts with REA cooperatives which provide for the lease-purchase of transmission or generating facilities. The funds may be used only for the purchase of electric power and energy and the payment of wheeling service charges at rates and in amounts comparable to those paid in the Southwestern Power Administration area under existing contracts based only on use value received with no additional allowance for purchase or lease of facilities. Such arrangements may be made with REA cooperatives in the area but no funds for this purpose are to be available after February 28, 1954."

HOUSE

12. FARM PROGRAM. On July 27 the Agriculture Committee issued a statement reading in part as follows:

H. R. 1124. An act for the relief of Gerda Goerauch;
 H. R. 1148. An act for the relief of Antonio Cangialosi (or Anthony Consola);
 H. R. 1160. An act for the relief of Cornelio and Lucia Tequillo;
 H. R. 1358. An act for the relief of Dr. Marcelino J. AVECILLA and Dr. Teodora A. FIDELINO-AVECILLA;
 H. R. 1496. An act for the relief of Mrs. Hermine Lamb;
 H. R. 1649. An act for the relief of Mrs. Gisela Walter Sizemore;
 H. R. 1674. An act for the relief of Setsuko Motohara Kibler, widow of Robert Eugene Kibler;
 A. R. 2022. An act for the relief of Don B. Whelan;
 H. R. 2032. An act for the relief of Clarence D. Newland;
 H. R. 2162. An act for the relief of Cyril Claude Andersen, Patricia Andersen Hill, and Thelma Andersen McNeill;
 H. R. 2421. An act for the relief of Frank L. McCartha;
 H. R. 2602. An act for the relief of Eizbieta Grzymkowska Jarosz;
 H. R. 2622. An act for the relief of Maria Teresa Ortega Perez;
 H. R. 2623. An act for the relief of Jose M. Thomasa-Sanchez, Adeia Duran Cuevas de Thomasa, and Jose Maria Thomasa Duran;
 H. R. 2633. An act for the relief of Lee Sig Cheu;
 H. R. 2650. An act for the relief of Sister Anna Ettl;
 H. R. 3005. An act for the relief of Charles Sabah;
 H. R. 3035. An act for the relief of Stephania Ziegler (Sister Benitia), Anna Hagel (Sister Clara), and Theresia Tuppingier (Sister Romanna);
 H. R. 3191. An act conferring jurisdiction on the United States District Court for the Northern District of California to hear, determine, and render judgment upon certain claims of the State of California;
 H. R. 3215. An act to confer jurisdiction upon the Court of Claims of the United States to consider and render judgment on the claim of the Clemmer Construction Co., Inc.;
 H. R. 3228. An act for the relief of Mrs. Ursula Eichner Clawges;
 H. R. 3235. An act for the relief of Ruth Rumiko Fukano;
 H. R. 3236. An act for the relief of Constantin and Lucia (Bercescu) Turcano;
 H. R. 3255. An act for the relief of Ernst Sbaschnik, Sr.;
 H. R. 3281. An act for the relief of Peter P. S. Ching;
 H. R. 3360. An act for the relief of Yuriko Akimoto;
 H. R. 3390. An act for the relief of Eiko Tanaka;
 H. R. 3455. An act for the relief of Jalal Rashtian;
 H. R. 3526. An act for the relief of Josef Ablassmeier;
 H. R. 3557. An act for the relief of Capt. Walter C. Wolf;
 H. R. 3725. An act for the relief of Curtis W. Strong;
 H. R. 3728. An act for the relief of Mrs. Helen Bonanno (nee Koubek);
 H. R. 3828. An act for the relief of Antonio Bruno;
 H. R. 4097. An act for the relief of Terry L. Hatchell;
 H. R. 4254. An act for the relief of Aneta Popa;
 H. R. 4439. An act for the relief of John Abraham and Ann Abraham;
 H. R. 4577. An act for the relief of Edith Maria Gore;
 H. R. 4615. An act for the relief of Joseph S. Aldridge;
 H. R. 4707. An act for the relief of Lee Yim Quon;

H. R. 4886. An act for the relief of Ingrid Birgitta Maria Colwell (nee Friberg);
 H. R. 4972. An act for the relief of John Jeremiah Botelho;
 H. R. 5093. An act for the relief of Mrs. Dorothy J. Williams, widow of Melvin Edward Williams;
 H. R. 5195. An act for the relief of Max Kassner;
 H. R. 5268. An act for the relief of Seilm (Robert) Salloun;
 H. R. 5616. An act for the relief of Leon H. Callaway and others;
 H. R. 5741. An act to amend section 39 of the Trading With the Enemy Act of October 6, 1917, as amended;
 H. R. 5887. An act for the relief of George Michael Jabour;
 H. R. 5945. An act conferring jurisdiction upon the United States District Court for the District of Colorado to hear, determine, and render judgment upon the claim of J. Don Alexander against the United States;
 H. R. 5951. An act for the relief of Eveline Brigitte Bartl (Eveline B. Hermann); and
 H. R. 6196. An act for the relief of Duncan M. Chalmers, and certain other persons; to the Committee on the Judiciary.
 H. R. 2465. An act to amend the act of April 23, 1930, relating to a uniform retirement date for authorized retirements of Federal personnel;
 H. R. 5379. An act to authorize the printing and mailing of periodical publications of certain societies and institutions at places other than places fixed as the offices of publication; and
 H. R. 5959. An act to exempt certain commissioned officers retired for disabilities caused by instrumentalities of war from the limitation prescribed by law with respect to the combined rate of retired pay and of compensation as civilian employees of the Government which retired officers may receive; to the Committee on Post Office and Civil Service.

H. R. 3350. An act for the relief of Ralston Edward Harry; and

H. R. 3685. An act to amend the Servicemen's Readjustment Act of 1944, as amended, so as to authorize the Administrator of Veterans' Affairs to furnish space and facilities, if available, to State veteran agencies; to the Committee on Finance.

H. R. 5258. An act to authorize the sale of Army, Navy, and Air Force stores at military establishments to civilian employees of the Government, and for other purposes;

H. R. 5416. An act to authorize the advancement of certain lieutenants on the retired list of the Navy; and

H. R. 6025. An act to authorize the Secretary of the Army to grant a license to the Leahi Hospital, nonprofit institution, to use certain United States property in the city and county of Honolulu, Territory of Hawaii; to the Committee on Armed Services.

H. R. 6252. An act to amend the charter of the Girl Scouts of the United States of America so as to limit membership on the National Council of Girl Scouts to citizens of the United States, to authorize meetings of the national council as provided in the constitution, and to authorize an annual report based upon the preceding fiscal year; to the Committee on the District of Columbia.

HOUSE CONCURRENT RESOLUTION REFERRED

The concurrent resolution (H. Con. Res. 108) expressing the sense of Congress that certain tribes of Indians should be freed from Federal supervision, was referred to the Committee on Interior and Insular Affairs, as follows:

Whereas it is the policy of Congress, as rapidly as possible, to make the Indians

within the territorial limits of the United States subject to the same laws and entitled to the same privileges and responsibilities as are applicable to other citizens of the United States, to end their status as wards of the United States, and to grant them all of the rights and prerogatives pertaining to American citizenship; and

Whereas the Indians within the territorial limits of the United States should assume their full responsibilities as American citizens: Now, therefore, be it

Resolved by the House of Representatives (the Senate concurring), That it is declared to be the sense of Congress that, at the earliest possible time, all of the Indian tribes and the individual members thereof located within the States of California, Florida, New York, and Texas, and all of the following-named Indian tribes and individual members thereof, should be freed from Federal supervision and control and from all disabilities and limitations specially applicable to Indians: The Flathead Tribe of Montana, the Klamath Tribe of Oregon, the Menominee Tribe of Wisconsin, the Pottawamie Tribe of Kansas and Nebraska, and those members of the Chippewa Tribe who are on the Turtle Mountain Reservation, N. Dak. It is further declared to be the sense of Congress that, upon the release of such tribes and individual members thereof from such disabilities and limitations, all offices of the Bureau of Indian Affairs in the States of California, Florida, New York, and Texas and all other offices of the Bureau of Indian Affairs whose primary purpose was to serve any Indian tribe or individual Indian freed from Federal supervision should be abolished. It is further declared to be the sense of Congress that the Secretary of the Interior should examine all existing legislation dealing with such Indians, and treaties between the Government of the United States and each such tribe, and report to Congress at the earliest practicable date, but not later than January 1, 1954, his recommendations for such legislation as, in his judgment, may be necessary to accomplish the purposes of this resolution.

PRINTING OF DOCUMENT RELATING TO TENSIONS WITHIN THE SOVIET UNION (S. DOC. NO. 69)

Mr. WILEY. Mr. President, during the 82d Congress, the Senate issued Document No. 41, Tensions Within the Soviet Union, prepared at my request. This publication has received extensive circulation throughout the world and has been translated into several different languages. It is the view of the Committee on Foreign Relations that a revision is required, bringing the study up to date, and such a revision has been prepared by the Library of Congress, consisting of some 193 double-spaced typewritten pages. By unanimous consent the Committee on Foreign Relations requests Senate approval for the printing of this revision as a Senate document.

The ACTING PRESIDENT pro tempore. Is there objection to the request of the Senator from Wisconsin? The Chair hears none, and it is so ordered.

PRINTING OF DOCUMENT RELATING TO TENSIONS WITHIN THE SATELLITE COUNTRIES (S. DOC. NO. 70)

Mr. WILEY. Mr. President, a companion study, Tensions Within the Satellite Countries, is now in preparation by the Legislative Reference Service of the

Library of Congress as the result of committee request. The Senate has approved an expenditure of not to exceed \$1,600 for the preparation of part of the study. I am unable at this time to state the exact length of the final report, but expect that it will be somewhat larger than the study dealing with tensions within the Soviet Union. By unanimous consent the Committee on Foreign Relations requests Senate approval for the printing of this study as a Senate document when it has been completed.

The ACTING PRESIDENT pro tempore. Is there objection to the request of the Senator from Wisconsin?

Mr. GORE. Mr. President, reserving the right to object, by "unanimous consent," I take it that the committee unanimously requests it. Is that correct?

Mr. WILEY. That is correct.

The ACTING PRESIDENT pro tempore. Is there objection to the request of the Senator from Wisconsin? The Chair hears none, and it is so ordered.

NOTICE OF HEARING ON NOMINATION OF VICTOR E. COOLEY TO BE DEPUTY DIRECTOR, OFFICE OF DEFENSE MOBILIZATION

Mr. BRICKER. Mr. President, on behalf of the Committee on Banking and Currency, I desire to give notice that a public hearing has been scheduled for Wednesday, July 29, 1953, at 10 a. m., in room 301, Senate Office Building, upon the nomination of Victor E. Cooley, of Missouri, to be Deputy Director of the Office of Defense Mobilization. At the indicated time and place all persons interested in the nomination may make such representations as may be pertinent.

NOTICE OF HEARING ON NOMINATION OF GLEN E. EDGERTON, TO BE MANAGING DIRECTOR OF EXPORT-IMPORT BANK OF WASHINGTON

Mr. BRICKER. Mr. President, on behalf of the Committee on Banking and Currency, I desire to give notice that a public hearing has been scheduled for Wednesday, July 29, 1953, at 10 a. m., in room 301, Senate Office Building, upon the nomination of Glen E. Edgerton, of the District of Columbia, to be Managing Director of the Export-Import Bank of Washington. At the indicated time and place all persons interested in the nomination may make such representations as may be pertinent.

NOTICE OF HEARING ON NOMINATION OF LYNN U. STAMBAUGH, TO BE DEPUTY DIRECTOR OF EXPORT-IMPORT BANK OF WASHINGTON

Mr. BRICKER. Mr. President, on behalf of the Committee on Banking and Currency, I desire to give notice that a public hearing has been scheduled for Wednesday, July 29, 1953, at 10 a. m., in room 301, Senate Office Building, upon the nomination of Lynn U. Stambaugh,

of North Dakota, to be Deputy Director of the Export-Import Bank of Washington. At the indicated time and place all persons interested in the nomination may make such representations as may be pertinent.

ADDRESSES, EDITORIALS, ARTICLES, ETC., PRINTED IN THE APPENDIX

On request, and by unanimous consent, addresses, editorials, articles, etc., were ordered to be printed in the Appendix, as follows:

By Mr. HENNINGS:

Statement prepared by him on expiration of rent controls, together with letters and telegrams received by him in regard to that subject.

By Mr. WATKINS:

Addresses delivered by Dr. Wayne C. Grover, Chief Archivist of the United States, Joseph Barr, Dr. George R. Ellis, and Dr. Wilbur La Roe, Jr., before the Washington Pilgrimage, May 1, 1953.

By Mr. JOHNSON of Texas:

Editorial entitled "Texas Ben Hogan," published in the Lufkin (Tex.) Daily News of July 22, 1953.

By Mr. GILLETTE:

Editorial entitled "Putting United States on Record for Disarmament," published in the Des Moines Register of July 17, 1953.

By Mr. HUMPHREY:

Editorial entitled "Work on Seaway Already Begun," published in a recent issue of the Duluth News-Tribune.

By Mr. WILLIAMS:

Article in regard to Senate bill 1152, to provide for loans to fur farmers, written by Bruce Gustin, and published in the Denver (Colo.) Post.

By Mr. FERGUSON:

Article by Howard Rushmore entitled "Ex-New York Teacher Key in Red Probe."

Article appearing in the Pittsburgh Post-Gazette presenting some history concerning the section of the Nation in which Senator FERGUSON spent his boyhood.

AUTHORIZATION FOR CERTAIN CONSTRUCTION AT MILITARY AND NAVAL INSTALLATIONS

The ACTING PRESIDENT pro tempore. The Chair lays before the Senate the unfinished business, which is Senate bill 2491.

The Senate resumed the consideration of the bill (S. 2491) to authorize certain construction at military and naval installations and for the Alaska communications system, and for other purposes.

Mr. KNOWLAND. Mr. President, suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Anderson	Eastland	Holland
Barrett	Ellender	Humphrey
Beall	Ferguson	Hunt
Bennett	Frear	Ives
Bricker	Fulbright	Jackson
Bush	George	Jenner
Butler, Md.	Gillette	Johnson, Tex.
Butler, Nebr.	Goldwater	Johnston, S. C.
Byrd	Gore	Kennedy
Case	Green	Kilgore
Chavez	Griswold	Knowland
Clements	Hayden	Kuchel
Cordon	Hendrickson	Langer
Daniel	Hennings	Lehman
Dirksen	Hickenlooper	Lennon
Duff	Hill	Long
Dworshak	Hoey	Magnuson

Malone
Mansfield
Martin
Maybank
McCarran
McCarthy
McClellan
Millikin
Mundt
Murray

Neely
Pastore
Payne
Potter
Purtell
Robertson
Russell
Saltonstall
Schoeppel
Smathers

Smith, N. J.
Symington
Thye
Watkins
Welker
Wiley
Williams
Young

The ACTING PRESIDENT pro tempore. A quorum is present.

DISTRICT OF COLUMBIA APPROPRIATIONS—CONFERENCE REPORT

Mr. DIRKSEN. Mr. President, I submit a report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 5471) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of said District for the fiscal year ending June 30, 1954, and for other purposes. I ask unanimous consent for its present consideration.

The ACTING PRESIDENT pro tempore. The report will be read for the information of the Senate.

The report was read by the legislative clerk.

(For conference report see House proceedings of July 27, 1953, p. 10225, CONGRESSIONAL RECORD.)

The ACTING PRESIDENT pro tempore. Is there objection to the present consideration of the report?

There being no objection, the Senate proceeded to consider the report.

Mr. DIRKSEN. Mr. President, there is little to say about the conference report except that the amount contrived by the conference committee was \$972,000-plus under the amount carried in the bill as passed by the Senate, and \$1,385,000 in excess of the amount carried in the bill as passed by the House.

In the main, I think the conferees did an excellent job. It was all done in the best of good spirit and good temper.

So, Mr. President, without further ado, I move the adoption of the report.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the report.

The report was agreed to.

FIRST INDEPENDENT OFFICES APPROPRIATIONS, 1954—CONFERENCE REPORT

Mr. SALTONSTALL. Mr. President, I submit a report of the committee of conference on the disagreeing votes of the two Houses on certain amendments of the Senate to the bill (H. R. 4663) making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1954, and for other purposes. I ask unanimous consent for its present consideration.

The ACTING PRESIDENT pro tempore. The report will be read for the information of the Senate.

The report was read by the legislative clerk.

(For conference report see House proceedings of July 27, 1953, p. 10220, CONGRESSIONAL RECORD.)

The ACTING PRESIDENT pro tempore. Is there objection to the present consideration of the report?

There being no objection, the Senate proceeded to consider the report.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the report.

Mr. SALTONSTALL. Mr. President, I wish to make a brief statement on the report.

Mr. CLEMENTS. Mr. President, will the Senator from Massachusetts yield to me?

Mr. SALTONSTALL. I yield.

Mr. CLEMENTS. I take it the Senator from Massachusetts is chairman of the conference group on the part of the Senate.

Mr. SALTONSTALL. That is correct.

Mr. CLEMENTS. Will he explain fully the items which were discussed in the Senate the other evening?

Mr. SALTONSTALL. I shall do so.

Mr. President, the other evening I had intended to discuss three items in connection with the conference report on the first independent offices appropriation bill, when it first came to the floor. However, the Senate decided to return the report for a further conference, after some discussion on the first point.

I shall now take up all three of the points.

The first one is in regard to the Interstate Commerce Commission item. There was a great deal of feeling about the safety regulations, particularly as applied to motor carriers.

The statement previously appearing in that connection in the statement of the managers on the part of the House has been completely eliminated. The corresponding statement now reads as follows:

Appropriate \$9,600,000 instead of \$9,665,000 as proposed by the Senate, and \$9,466,176 as proposed by the House, including funds to implement the report of the Wolf Management Engineering Co., which is strongly recommended by the conferees.

That is the statement on the point which was under discussion the other evening. The previous statement has been completely eliminated from the statement of the managers on the part of the House.

As a concession for doing so, the conferees on the part of the Senate agreed to recede slightly from the amount the Senate had voted.

Mr. CLEMENTS. To what extent did they yield on the dollar amount?

Mr. SALTONSTALL. Sixty-five thousand dollars, which leaves more money than the Interstate Commerce Commission had for last year.

Mr. SCHOEPPPEL. Mr. President, will the Senator from Massachusetts yield to me?

Mr. SALTONSTALL. I yield.

Mr. SCHOEPPPEL. Does the action of the House in receding mean that the safety provisions heretofore provided will be carried on?

Mr. SALTONSTALL. They will. The Interstate Commerce Commission is re-

quired to do so by law, and there is no advice in the statement of the managers on the part of the House to have the Interstate Commerce Commission refrain from doing anything it is required to do by law.

Mr. SCHOEPPPEL. In other words, the conference report means that the safety provisions will continue in full force and effect, as they heretofore have been. Is that correct?

Mr. SALTONSTALL. Yes; they will. In addition, both groups of conferees have strongly urged the Interstate Commerce Commission—in fact, have practically ordered the Commission—to put into effect the so-called Wolf engineering report, which will streamline the Commission's activities and will provide specifically for the safety regulations.

Mr. SCHOEPPPEL. I make this inquiry at this time because a great many persons from my State and from surrounding States have inquired about this feature, which previously had been eliminated. Of course its elimination was most alarming.

Mr. SALTONSTALL. I agree.

Mr. BRICKER. Mr. President, will the Senator from Massachusetts yield to me?

Mr. SALTONSTALL. I yield.

Mr. BRICKER. The Senator has referred to the Wolf report. Were any additional funds provided for carrying out the various provisions of the Wolf report?

Mr. SALTONSTALL. I will say to the Senator from Ohio, who is acting chairman of the Committee on Interstate and Foreign Commerce, that the conference report provides that the Wolf report shall be put into effect. It is my understanding from having talked with the Commissioners of the Interstate Commerce Commission that there is not sufficient money to provide for all that is contemplated in the Wolf report as being necessary. That, as I see it, will be a matter for the Appropriations Committees to consider next year.

Mr. BRICKER. That is, after the Commission shall have put in to effect as many of the provisions of the Wolf report as possible under the present appropriation. But it is the feeling of the committee, is it not, that if the Commission come back with a request for enough money to put into effect the other constructive recommendations of the report, that request may be granted?

Mr. SALTONSTALL. Or that the request will be withheld until the full budget is presented next year, and will be submitted at that time.

Mr. BRICKER. I thank the Senator.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. SALTONSTALL. I yield to the Senator from Minnesota.

Mr. HUMPHREY. I am very much interested in the developments which took place in the conference with respect to housing.

Mr. SALTONSTALL. I may say I have not come to that subject. I shall take that up in a moment, if the Senator will permit.

Mr. HUMPHREY. That will be entirely satisfactory.

Mr. SALTONSTALL. Mr. President, the second item about which I wanted

to make a report to the Senate has to do with a problem that exists in Los Angeles. There was a provision in regard to it in the bill last year, and there was a provision respecting it in the House bill this year. The Senate amended the House provision. As a result of the conference the housing development in Los Angeles will not be continued. There was, as I understand, a vote in the city, in connection with which the matter became the subject of a great deal of politics.

The situation in Los Angeles at this time is that the Federal Government owns two areas of land. Under the terms of the agreement, it will sell the land either through private sales to private persons, or, at an agreed price, not exceeding its cost to the Federal Government, to public bodies. The Federal Government will ultimately lose about \$5 million on this settlement of the Los Angeles problem. The conferees, including the conferees on the part of the Senate, were unanimous in feeling that this should be done, because the people of Los Angeles did not want the program; and because, if the Federal Government continued, it would in the end cost the taxpayers a great deal more than the settlement agreed upon will cost them. At the same time, under the settlement, it will cost the Federal Government approximately \$5 million to stop the program in Los Angeles and to get rid of the property it now holds.

The third question to which I desire to refer is that of housing. The language contained in the prior conference report is retained in this report. I shall read it in order that it may be in the RECORD:

Provided further, That notwithstanding the provisions of the United States Housing Act of 1937, as amended, the Public Housing Administration shall not, with respect to projects initiated after March 1, 1949, (1) authorize during the fiscal year 1954 the commencement of construction of in excess of 20,000 dwelling units, or (2) after the date of approval of this act, enter into any new agreements, contracts, or other arrangements, preliminary or otherwise, which will ultimately bind the Public Housing Administration, during fiscal year 1954, or for any future years, with respect to loans, or annual contributions for any additional dwelling units or projects, unless hereafter authorized by the Congress to do so, and during the fiscal year 1954, the Housing and Home Finance Administrator shall make a complete analysis and study of the low-rent public-housing program; and, on or before February 1, 1954, shall transmit to the Appropriations Committees of the House and Senate his recommendations with respect to such low-rent public-housing programs.

The situation is that the House, in this connection, has included in its report the following words:

The Senate recedes from its disagreement to the House amendment to the amendment of the Senate, and agrees to the same.

This provides ultimately for the building of 20,000 units during the fiscal year 1954. It requires the Administrator to make a study of the program and submit his recommendations before February 1, 1954. The conferees realized that one Congress may not bind any other Con-

gress, on this or any other housing programs.

I submit, Mr. President, that, according to my understanding, what this does is to permit the Housing Authority to go forward with the building of 20,000 houses this year. The Senate recommended thirty-five thousand. The House was very clear that there should be none. The compromise figure was 20,000 houses. The 20,000 units come out of approximately 62,605 units, on which there are new contracts, but which have not yet been started. That would leave approximately 42,000 units to be completed under contract in future years. But what the language of the conference report does is to permit the building of the 20,000 houses. It requires the Administrator of Housing to make a report to the House and to the Senate, on or before February 1, giving his judgment as to the future of the housing problem.

Meanwhile, the President will submit his budget. If the President submits a request, let us say, for the building of 35,000 units, it will then become a matter of appropriation and of discussion in the House and Senate. If the President submits no request for housing units, it will still be open to the next Congress to consider a bill to continue the housing program and to supply money with which to finance it. In my best judgment, and according to my best opinion, this language, together with the language now being drafted by the counsel for the Housing Administration, does not stop the housing program.

The statement of the House conferees will be noted to the effect that one Congress may not bind another. We tried to get a little stronger language but that language was included in the House report. The Senators who were most influential in starting the housing program and who were very much interested in it, are the Senator from South Carolina [Mr. MAYBANK], the Senator from Louisiana [Mr. ELLENDER], and the Senator from Alabama [Mr. HILL], all of whom believe that the provision in the conference report permits a continuance of the housing program. The Senator from Louisiana, if my memory is correct, was one of the originators of the program years ago, and he believes that this provision does not stop the housing program. True, it does not allow the contracting for any new units until after the Administrator makes his report, next February; but there are still 42,000 units awaiting completion; and those units must be completed.

So, Mr. President, as I see it, there is to be no stoppage of the housing program, but on the contrary, there is plenty of opportunity for the Congress next year, if it so desires, to start new construction.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. SALTONSTALL. I yield to the Senator from Minnesota.

Mr. HUMPHREY. As I understand the language of the conference report, it is almost identical to that which we had before us last week. I refer to the

actual language of the conference bill. Is that correct?

Mr. SALTONSTALL. The language of the conference bill is the same.

Mr. HUMPHREY. The difference happens to be in the statement submitted to the House by the House Managers. Is that correct?

Mr. SALTONSTALL. The question was discussed by the Senate conferees. The House refused to yield further in regard to the language, as the House had voted, by quite an overwhelming ye-a-and-nay vote, to authorize no new housing. The House would yield no further in respect to the language of the bill. But I submit that we did succeed in putting into the report, additional language, which from our point of view, as conferees on the part of the Senate, was helpful.

Mr. HUMPHREY. I would say it is helpful. I think it fair to say, however, that the language of the conference bill as it now comes back to us does stop any further housing planning, development and contracting for the coming year.

Mr. SALTONSTALL. It does stop, until next February at least, any new planning. What will happen in the next Congress, as I visualize it, is that if the President in his budget message submits a request for new housing units, the House and Senate will ultimately agree upon what shall be done, and there will then be planning, and so on, for any new units which may be authorized in addition to the 42,000 units or contracts, which, in any event, must come first.

Mr. HUMPHREY. As the Senator suggests, there is still a backlog of 42,000 contractual obligations, or houses under contract between the local housing authorities and the Public Housing Administration, over and above the 20,000.

Mr. SALTONSTALL. Yes. As of June 1953, the estimated number of annual-contribution contracts authorized, with construction not to be started is 62,605 units.

Mr. HUMPHREY. Does the Senator believe that the statement on the part of the House managers alters the record, as was explained in the Senate the other day by the junior Senator from Alabama [Mr. SPARKMAN], and by the senior Senator from Illinois [Mr. DOUGLAS], when they pointed out that Representative PHILLIPS, in response to a statement, said that the purpose of the conference report was to stop public housing, or to kill public housing?

Mr. SALTONSTALL. I think he used the words "I believe it will." I would say that statement of the House managers does not go the full way, or as far as I, for one, should like; but it certainly carries the implication, and makes clear that one Congress may not bind another. There is nothing in the conference bill to repeal the law, because we could not do that through an appropriation bill.

Mr. ELLENDER and Mr. LEHMAN addressed the Chair.

Mr. SALTONSTALL. I should like to finish with the Senator from Minnesota before I yield further.

Mr. HUMPHREY. It is clear, as I now understand—so that the result may

be without any confusion—that from the date of the passage of the bill until February there will be no new contracts.

Mr. SALTONSTALL. That is correct.

Mr. HUMPHREY. In other words, the municipalities having programs in the preliminary stages of trying to get contract obligations with the Federal Government are all stopped.

Mr. SALTONSTALL. They will have to hold their programs in abeyance until it is ascertained what Congress does.

Mr. HUMPHREY. The report of the Administrator is supposed to be here in the first week in February; is that correct?

Mr. SALTONSTALL. That is correct.

Mr. HUMPHREY. And that will most likely precede the budget message.

Mr. SALTONSTALL. The budget message will come first, and then the report. The President submitted a request for 35,000 units this year. I do not know what he is going to submit next year; but the President believes sufficiently in the plan to put units in his budget message.

Mr. HUMPHREY. I regret, as I am sure the Senator from Massachusetts does, the provision which stops the possibility of further contracts with the Public Housing Administration. I am afraid it is the beginning of the end with reference to public housing. As the Senator points out, no Congress can bind another Congress, and the Senator explains that there is no intention on the part of the conferees, so far as the Senate is concerned, to bring public housing to an end. Is that correct?

Mr. SALTONSTALL. That is correct. As chairman of the conferees, I thoroughly agree with the Senator. I believe my friend from Alabama [Mr. HILL] and my friend from Louisiana [Mr. ELLENDER] will say that I did everything that could have been done in the matter.

Mr. ELLENDER. Mr. President, will the Senator from Massachusetts yield?

Mr. SALTONSTALL. I yield.

Mr. ELLENDER. I simply wish to say that the distinguished Senator from Massachusetts has stated the case correctly. The language which is now in the bill in no manner changes the present act. As the distinguished Senator from Minnesota knows, the original act provided for contracting for 135,000 units a year. That has been cut from year to year, until this year the lowest number of units is provided for in the bill. In our discussion with the House conferees they admitted that the language incorporated in the present bill in no manner repeals or affects the present law, but that housing will be held in abeyance until Mr. Cole, the Administrator, makes his report. The report will be presented by him in the early part of February.

Mr. SALTONSTALL. That is my understanding. I thank the Senator from Louisiana.

Mr. LEHMAN. Mr. President, will the Senator from Massachusetts yield?

Mr. SALTONSTALL. I yield.

Mr. LEHMAN. There are today, if this conference report is adopted, 62,000 units under contract, but not under construction. They represent contracts en-

tered into in good faith between the Federal Government and various communities. In the case of my own State, 26,000 units are under contract but not under construction. There was every reason to suppose, in justice and in equity, that the 62,000 units would be built. Whenever in the past we voted to construct, say, 35,000 units—and that is the number we have voted to construct in the past several years—they were taken out of the "coffee grinder" pool, described by the distinguished Senator from Massachusetts, but simultaneously the same number were added.

As I understand, what has happened is that from the 62,000 we are taking 20,000, but leaving entirely detached and without any assurance of action the remaining 42,000 which are included in the list which are under contract but on which construction has not been commenced.

I realize, of course, that no Congress can bind a succeeding Congress, but to me it is unthinkable that Congress should now repudiate assurances given to various communities, and that 42,000 units, in addition to the 20,000 units which we are now discussing, will be placed in jeopardy, indeed, more than in jeopardy, because I still believe that regardless of the statement of the perfectly obvious fact that no one Congress can bind another Congress, the intention is to liquidate low-cost housing.

Mr. SALTONSTALL. I may say to my friend from New York that last year only 35,000 units were permitted to be started and to be continued. To the best of my knowledge, there has always been a substantial backlog. For instance, in June of 1952, there were 65,000 units, and only 35,000 of them could be undertaken. In June of 1951 there were 77,000 units, but only 35,000 of them could be undertaken. And so it goes.

Mr. LEHMAN. Mr. President, will the Senator from Massachusetts yield further?

Mr. SALTONSTALL. I yield.

Mr. LEHMAN. What the Senator from Massachusetts has said is correct, that only 35,000 units could have been undertaken for construction under the bill we passed. Those 35,000 units were taken out of the number of units under contract but not under construction. But when we took those 35,000 units, we added 35,000 units to the remaining pool. We are now taking 65,000 units and subtracting from them 20,000 units which are authorized by the act. We are not adding to the remaining pool. We are not adding anything to the remaining 42,000. We are removing from them any recognition of our responsibility to continue to build units. We are simply repudiating them. That is all there is to it.

Mr. SALTONSTALL. I do not agree with my friend on that point.

Mr. LEHMAN. We are certainly repudiating them as of this moment. The next Congress, if it wants to, can reinstate the 42,000 units which we are repudiating today. It will have the power to do it. But as of today we are definitely repudiating—unless and until Congress takes affirmative action—the

42,000 remaining units and there actually should be 62,000.

Mr. SALTONSTALL. I do not want to leave the Record that way, because, in my opinion, it is not correct. Last year there were 35,000 units taken from a total of some 65,000 or 70,000. Then there were 35,000 more added at the top, but not under contract. The same situation applies today, except that we do not allow them to proceed any further this year. There may be some 42,000 units under contract.

Mr. ELLENDER. Mr. President, will the Senator from Massachusetts yield further?

Mr. SALTONSTALL. I yield.

Mr. ELLENDER. I wish to add to what the distinguished Senator from Massachusetts has just stated that the 42,000 remaining units are there, and there is a binding contract between the local authorities and the Federal Government, and in time they will be built, the same as the 20,000 units which are now being authorized.

Mr. SALTONSTALL. That is correct.

Mr. ELLENDER. The Housing Authority in Washington will be denied the privilege of proceeding with further contracts for housing. We hope that when Congress meets in January the report of the Administrator will be at hand and more units will be authorized, not for building, but for contracting purposes.

Mr. SALTONSTALL. That is correct.

Mr. LEHMAN. Mr. President, will the Senator from Massachusetts yield further?

Mr. SALTONSTALL. I yield.

Mr. LEHMAN. I wish to reply to the distinguished Senator from Louisiana, who I know is deeply interested in the subject, and who was interested in it many years before I came to the Senate.

Mr. ELLENDER. I thank the Senator. I would be the last Senator on the floor to permit a scuttling of that program. I worked too long for it.

Mr. LEHMAN. I realize that.

When the Federal Government entered into contracts with communities of the State of New York for the construction of 26,000-plus units in New York City, Buffalo, Syracuse, Rochester, Albany, Oneonta, and other localities it was felt that within a reasonable length of time those units would come into being and not be merely paper print plans. I believe the same is true in the case of communities in Massachusetts and California.

Mr. SALTONSTALL. I am certain it is.

Mr. LEHMAN. Or in Arizona, Pennsylvania, Florida, and other States of the Union which availed themselves of the privileges of the act.

What we are now saying to the people of those areas is, "We will allow you to take 20,000 units from the total number of units under contract and not under construction, but beyond that will not recognize any commitments which have been made by the Federal Government to communities for the construction of units, even though the communities themselves may have made great

preparations and probably have incurred expenses in connection with them."

We are simply saying, "We will allow you to take 20,000 out of the 62,000 which have been authorized and contracted for, but which are not under construction; and when you have finished with them, the other 42,000 can go to blazes. We have no responsibility whatsoever unless Congress affirmatively votes for additional units next year. Persons in low-income brackets are simply out of luck. They are not going to get low-cost housing."

I do not believe our great Nation which the Senator from Massachusetts and I in part represent can take that position. The Federal Government has entered into contracts with communities; and at least to the extent of the contracts into which the Government has entered, we must certainly pursue the recognition of the contracts.

But the bill and the conference report fail to do that. Not only do they fail to do it, but they completely repudiate the 42,000 remaining units which have been authorized by previous Congresses, units for which contracts have been entered into in good faith between the Federal Government and communities. We are simply saying, "We will not think about those contracts or do anything about them unless and until some future Congress says 5,000, 10,000, 15,000, 30,000, or 35,000 units may be built." I do not believe that is the position the Federal Government should take.

Mr. SALTONSTALL. I may say to the junior Senator from New York that there is no use of our carrying on the argument any further, because I simply do not agree with him. I might add that if the House had had its way, there would not have been even 20,000 units.

Mr. MAYBANK. Mr. President, will the Senator yield?

Mr. SALTONSTALL. I yield.

Mr. MAYBANK. We talked long and hard in the conference. The Senator has discussed the main issue. What the Senator from Massachusetts has said is absolutely correct. If the original language contained in the report on the House bill had been adopted, there would have been no housing at all.

Mr. LEHMAN. I realize that.

Mr. MAYBANK. The Senator from Massachusetts did a remarkable job in working out the problem.

As the Senator from Louisiana [Mr. ELLENDER] will recall, we had conference after conference, in which we expressed our opposition to the House provision before we finally agreed to the report.

Mr. LEHMAN. Mr. President, will the Senator from Massachusetts yield, so that I might reply to the distinguished Senator from South Carolina?

Mr. SALTONSTALL. I yield for that purpose.

Mr. LEHMAN. There is no Member of the Senate for whom I have higher regard than I have for the Senator from South Carolina. I know that he is very much interested in public housing. And I may say that I realize perfectly well that it might have been legislatively pos-

sible to eliminate any new starts this year. I think it would have been a tremendous mistake, just as I believe cutting down the number of units to 20,000, which was a compromise from 35,000, is a tremendous mistake. If that had not been done, in my opinion, the remaining 62,000 units, on which contracts have been made with communities, could have stood and would have stood. I think we are now selling our birthright for a very small mess of pottage.

Mr. SALTONSTALL. I thank the Senator from New York. I hope that he and I will work together next year to continue the program.

Mr. LEHMAN. Wait a minute. I want to finish my statement, if I may.

I wish to make it perfectly clear that I think that what has been decided upon is a tremendous step backward. We should be making all sorts of provisions to make possible the building of housing for people in low-income brackets, but I believe we are definitely discriminating against those in the low-income brackets. I think we are more than discriminating against them; we are virtually destroying all successful efforts for slum clearance, a program which I believe every right thinking man and woman in the United States must favor.

Mr. MAYBANK. Mr. President, will the Senator from Massachusetts yield?

Mr. SALTONSTALL. I yield.

Mr. MAYBANK. I want the record to show that the House vote on this question was 239 to 161 in favor of the House provision. Certainly the Senate conferees cannot be charged with scuttling the slum-clearance program.

I feel, as does the former distinguished Governor of New York, now the junior Senator from New York, and the distinguished senior Senator from Massachusetts; who is also a former Governor, that the action of the House was a mistake. But what could the Senate conferees, other than what they did, do, when the House voted 239 to 161 in favor of the House provision?

Mr. LEHMAN. I may say to the Senator from South Carolina that I realize the difficulty which confronted the Senate conferees. Although my heart is in the matter of housing, I ask myself, what can I do? I know I am overridden on the question, but even though I am, I wish to state my position, and I shall continue to fight for what I believe is right.

Mr. MAYBANK. The Senate conferees were overridden, too.

Mr. SALTONSTALL. Mr. President, I call for the question on agreeing to the conference report.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the conference report.

The report was agreed to.

DEPARTMENTS OF LABOR, AND HEALTH, EDUCATION, AND WELFARE, ETC., APPROPRIATIONS, 1954—CONFERENCE REPORT

Mr. THYE. Mr. President, I submit a report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate

to the bill (H. R. 5246) making appropriations for the Departments of Labor, and Health, Education, and Welfare, and related independent agencies, for the fiscal year ending June 30, 1954, and for other purposes. I ask unanimous consent for the immediate consideration of the report.

The ACTING PRESIDENT pro tempore. The report will be read for the information of the Senate.

The legislative clerk read the report.

(For conference report, see pp. 10222-10223, House proceedings of July 27, 1953, CONGRESSIONAL RECORD.)

The ACTING PRESIDENT pro tempore. Is there objection to the present consideration of the report?

There being no objection, the Senate proceeded to consider the report.

Mr. HUMPHREY. Mr. President, are copies of the report available, so that Senators may examine it?

Mr. THYE. There are no copies printed as yet. The report has just come to the Senate, and there has not been an opportunity or time in which to have

the conference report printed. I shall endeavor to make a brief explanation.

Mr. President, I should like first to offer an explanation of the conference agreement on the medical research appropriations for the National Institutes of Health.

For the 8 items under the National Institutes of Health, the revised budget estimates were \$56,340,000. The House allowed \$61,586,200, an increase of \$5,246,200 over the revised estimates. The Senate allowed \$72,153,000, an increase of \$10,566,800 over the House allowance and \$15,813,000 over the revised estimates.

The conference agreement allows \$71,153,000, an increase of \$14,813,000 over the revised estimates, \$9,566,800 over the House allowance and \$1 million under the Senate allowance.

I ask unanimous consent for the insertion in the RECORD of this tabulation giving the details on these items.

There being no objection, the tabulation was ordered to be printed in the RECORD, as follows:

National Institutes of Health

	Revised estimates	House allowance	Senate allowance	Conference agreement
Operating expenses.....	\$4,675,000	\$4,675,000	\$4,675,000	\$4,675,000
National Cancer Institute.....	15,780,000	17,887,000	20,487,000	20,237,000
Mental health activities.....	9,817,000	10,895,000	12,345,000	12,095,000
National Heart Institute.....	11,040,000	12,000,000	15,418,000	15,168,000
Arthritis and metabolic disease activities.....	4,976,000	5,000,000	7,000,000	7,000,000
Dental health activities.....	1,740,000	1,650,000	1,740,000	1,740,000
Microbiology activities.....	5,738,000	5,479,200	5,738,000	5,738,000
Neurology and blindness activities.....	2,574,000	4,000,000	4,750,000	4,500,000
Total.....	56,340,000	61,586,200	72,153,000	71,153,000

The House allowance was \$5,246,200 over the revised estimates.

The Senate allowance was \$10,566,800 over the House allowance and \$15,813,000 over the revised estimates.

The conference agreement was \$14,813,000 over the revised estimates, \$9,566,800 over the House allowance, and a reduction of \$1 million under the Senate allowance.

Of the differences between the House and Senate figures, \$10,566,800, the agreement allows 90.44 percent of the Senate increases. The agreement is an increase of 26.29 percent over the revised estimates.

Mr. THYE. If any Senator would like an explanation of any of these items, I can read from the tabulation. If not, it will be printed in the RECORD. I wish to say to the Senate that the main question before the conferees was the question of hospital construction. It will be recalled that the House had approved an item of \$50 million. The Senate version contained an item of \$75 million for hospital construction. In conference the conferees finally agreed on \$65 million for hospital construction.

If there are any further questions, I shall endeavor to give a full explanation. I believe the conferees agreed upon a report which is a very substantial and sound appropriation measures, which should take care of the needs of the Labor Department and the needs of the Department of Health, Education, and Welfare.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the conference report.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. THYE. I yield.

Mr. HUMPHREY. First I wish to thank my colleagues, the senior Senator from Minnesota, for his explanation, and to commend him upon the very fine job done by the conferees.

I have been looking over some of the amendments. Will the Senator give us, in general terms, the situation pertaining to the institutes of health, such as the Heart Institute, the Cancer Institute, the Mental Health Institute, and the Institute for Neurological Diseases? Were the conferees able to maintain the Senate figures in those instances?

Mr. THYE. We lost \$1 million on the 4 items. We lost \$250,000 on heart research; \$250,000 on cancer research; \$250,000 on mental health; and \$250,000 on neurology and blindness activities. That is a total of \$1 million.

The very best we were able to do was to get through the 7 health items, but we did lose \$250,000 on each of those 4. However, the Senate had gone very substantially over the House figures, with respect to all those health measures. I thought we were exceedingly fortunate in being able, in conference, to hold what the Senate had voted, with the exception of \$250,000 on each of the 4 items which I have mentioned.

Mr. HUMPHREY. As I understand, the Senate conferees were able to obtain an agreement upon \$65 million for hospital construction. That was a reduction from our own program of \$75 million, but an increase above the \$50-million figure of the House.

Mr. THYE. That is correct. Let me explain to my colleague that the House approved an item of \$50 million for hospital construction. The revised budget estimate was \$60 million. The Senate committee had approved \$60 million, but on the floor of the Senate an amendment was agreed to increasing the amount by \$15 million to \$75 million. When we went to conference there was a difference of \$25 million between the Senate and the House.

Mr. HUMPHREY. That is correct.

Mr. THYE. We were exceedingly fortunate in being able to hold \$15 million of the increase which the Senate had made. We lost \$10 million to the House.

The distinguished Senator from Alabama [Mr. HILL] knows how earnestly we strove to retain the amount provided by the Senate, and the long debate which ensued.

Mr. HILL. Mr. President, will the Senator yield?

Mr. THYE. I yield.

Mr. HILL. The Senator from Minnesota stated that we were fortunate to get the additional \$15 million. I agree with him as to that. I also agree that we had a hard fight to hold the \$15 million. We were in session last night until after 7 o'clock, fighting hard for the hospital item, and for the health items to which the Senator from Minnesota has alluded.

Mr. THYE. That was the third meeting of the conferees. I will say further that if we had not been fortunate, we would not have come out with that figure, because we had a positive fight on our hands.

Mr. McCLELLAN. Mr. President, will the Senator yield?

Mr. THYE. I am delighted to yield to the Senator from Arkansas.

Mr. McCLELLAN. As I understand, the amount agreed upon for hospital aid is \$65 million.

Mr. THYE. That is correct.

Mr. McCLELLAN. That is an increase of \$15 million over the amount allowed by the House.

Mr. THYE. That is correct.

Mr. McCLELLAN. And \$10 million less than the amount approved by the Senate.

Mr. THYE. That is correct.

Mr. McCLELLAN. What I wish to inquire is whether the \$15 million increase, or the total of \$65 million, is adequate to meet all the obligations which have already been incurred. In my own State, we have two projects of particular importance. First, there is the State medical center, and then there is a large denominational project. They are already under construction. Plans and arrangements have been made in anticipation of appropriations which would be adequate to meet the Federal contribution. I am wondering if the \$65 million now in the bill, and agreed to by the conferees, is adequate, generally speaking, to meet the obligations of the Federal Government, on the basis of its proper contribution to the projects which are already under construction.

Mr. THYE. My answer is that we took that factor into consideration. In

our best judgment, that figure would permit the so-called split projects to go forward, with obligated funds. That was one question with which we on the Senate side were faced. We endeavored to increase the amount to make certain that we could go forward with all obligations which have been made with respect to the so-called split projects, and that we could proceed with an allocation to the States to maintain the construction program in accordance with past plans.

Mr. McCLELLAN. I thank the Senator. Of course, the State authorities actually make the distribution or allocation in the State of the share which the State receives from the Federal appropriation. Where such allocations have already been made, there is certainly a moral obligation on the part of the State to carry them out, and I think there is a moral obligation on the part of the Federal Government to make adequate appropriations to cover the Federal contributions to such projects.

Mr. THYE. That is true. However, in the case of a split project, any State authority which authorizes or permits such a project is endeavoring to obligate the Federal Government with respect to future Congressional appropriations, which is not the best administrative practice, in our opinion. I speak for the committee in that regard. Such a practice places an obligation upon the Federal Government for future congressional action. It is a dangerous practice.

Mr. McCLELLAN. I appreciate that. It is also not the best practice for the Federal Government to authorize certain amounts, and thus give the impression that the funds will be available, and then withdraw the funds after the commitment has been made. That is not very good practice, either.

Mr. THYE. No. The conferees did take into consideration that question. I read the statement in the report with reference to amendment No. 34:

In connection with amendment No. 34 the managers reaffirm the statements contained in the House and Senate reports in criticism of the "split-project" method of financing by which funds are allocated to start a project with the promise that additional Federal funds will be allocated in future years to finish the project if appropriations are sufficient, thus generating pressure on Congress to appropriate large sums year after year indefinitely.

Therefore, a State authority which authorizes a split project is actually making it very embarrassing to the Senator, and puts almost a moral obligation on him to fight for sufficient funds to cover the commitment.

Mr. McCLELLAN. While that is true, it is also true that many of the projects which are badly needed could not be constructed in any other way except by anticipating Federal funds which have been authorized. Certainly, where the project is of some magnitude it is impossible for a local community to construct it, except by relying upon Federal assistance.

I do not care to become involved in a long discussion of the subject. I know

the conferees had considerable trouble in reaching an agreement on the amount of Federal aid for hospitals. I commend the distinguished chairman and the other members of the Senate conference committee for having fought the battle to have restored what we believe will be adequate funds to meet current obligations.

Mr. THYE. I thank the Senator for his comments. We tried to do our best. All of us were mindful of the great need for hospital construction throughout the Nation. We also took into consideration the obligations which had been made in connection with so-called split projects. We did our very best. I believe there will be sufficient funds to cover the situation. At any rate, we did the best we were able to do.

Mr. McCLELLAN. I thank the Senator from Minnesota. I do not want my remarks to be interpreted as being critical of the House managers. All of us labor under the compelling duty of holding down Federal expenditures to the minimum, consistent with good government, and certainly having in mind the fact that we are running into deficits, which must be reduced. I did not mean to criticize the House Members, who may have held different views.

I feel that in this particular case, in which obligations have already been incurred, the Federal Government should try to appropriate adequate funds to meet its portion of the contribution.

Mr. THYE. I thank the Senator.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. THYE. I am very glad to yield.

Mr. HUMPHREY. With reference to amendment No. 34, I note the statement in the House and Senate reports in criticism of the split-project method of financing. I hope we may understand the criticism not to mean, where it is absolutely essential to have a split project, that the Administrator is not supposed to grant funds for it. In other words, I do not want to have the record look as if we were imposing a stop order on Federal assistance for hospital construction, when a split project may be necessary on the basis of its planning.

Mr. THYE. It is an admonition to administrators in the States that it is not sound practice, and that following such a practice is in a sense obligating future Congresses to appropriate funds. If Congress should not appropriate sufficient funds in the future communities and States may be left in a very embarrassing position by not receiving funds they had anticipated receiving. They might be faced with a very serious problem in financing the completion of the project.

Therefore it is a hazardous procedure on the part of any community or any State authority to proceed with an authorization contingent upon action by future Congresses.

Mr. HUMPHREY. I respect that judgment. As I understand, it is a word of caution.

Mr. THYE. That is correct.

Mr. HUMPHREY. It is a yellow light, not a red light.

Mr. THYE. That is correct.

Mr. HUMPHREY. It is not a stop light, but merely a caution light.

Mr. THYE. The Senator is absolutely correct. We know, of course, that a stop sign comes on following the warning sign. In the event the warning light is not heeded it will be found that Congress at some future time will turn on the red light.

Mr. HUMPHREY. I want the RECORD to be perfectly clear, because there may occur instances when a State board or administrator, having a very worthy split project under consideration, looking at the record might say, "We cannot do it, because Congress said, 'No.'" What Congress is doing in this instance is saying, "Take it easy." Is that correct?

Mr. THYE. That is correct.

Mr. HUMPHREY. We are saying, "Do not overcommit yourself."

Mr. THYE. That is correct.

Mr. HUMPHREY. And "Watch your method of financing and do not overextend your financial plan." Is that correct?

Mr. THYE. That is correct. Otherwise, an injustice might be done to a community, because future funds would be involved, and thereby the project might run into 2 years or more, while at the same time new projects would be denied.

Mr. HUMPHREY. That is particularly true with respect to a State institution, more so than with respect to what might be called a community hospital. It is in connection with a large State hospital that a legislature may make commitments extending over a long period of time.

Mr. THYE. That is correct.

Mr. HUMPHREY. I thank the chairman. It is a very fine report.

Mr. THYE. It is very difficult to deal with items in the field of health and hospital construction, because one's heart impels the feeling that all the funds necessary to permit research should be made available to the maximum extent.

However, one is faced with the necessity of not exceeding what the Budget Bureau has recommended and what the administration believes it can finance.

Mr. HUNT. Mr. President, will the Senator yield?

Mr. THYE. I yield.

Mr. HUNT. I wish to say to the distinguished chairman of the subcommittee that he is to be congratulated on bringing back to us, as he had done, the \$65 million for hospital construction under the Hill-Burton Act. I know something of the task which the chairman and his associates faced in conference. This is one of the greatest programs our Government has offered to our people, and I congratulate the Senator from Minnesota for his fine work.

Mr. THYE. Mr. President, I move the adoption of the conference report.

The PRESIDING OFFICER (Mr. PORTER in the chair). The question is on agreeing to the conference report.

The report was agreed to.

The ACTING PRESIDENT pro tempore laid before the Senate a message from the House of Representatives announcing its action on certain amendments of the Senate to House bill 5246, which was read, as follows:

IN THE HOUSE OF REPRESENTATIVES, U. S.

July 28, 1953.

Resolved, That the House recede from its disagreements to the amendments of the Senate numbered 3, 4, 19, 24, 25, 26, 37, and 59 to the bill (H. R. 5246) entitled "An act making appropriations for the Departments of Labor, and Health, Education, and Welfare, and related independent agencies, for the fiscal year ending June 30, 1954, and for other purposes," and concur therein;

That the House recede from its disagreement to the amendment of the Senate numbered 17 to said bill, and concur therein with an amendment as follows: In lieu of the matter proposed by said amendment insert:

"SEC. 103. Not to exceed 5 percent of any appropriation in this title for salaries and expenses may be transferred to any other such appropriation, but no such appropriation shall be increased by more than 5 percent by any such transfer: *Provided*, That no such transfer shall be used for creation of new functions within the Department, nor shall the total amount transferred in fiscal year 1954 exceed \$100,000."

That the House recede from its disagreement to the amendment of the Senate numbered 18, and concur therein with an amendment, as follows: In lieu of the matter proposed by said amendment insert:

"SEC. 104. Not to exceed 5 percent of any appropriation in this title available for salaries and expenses may be transferred to any other such appropriation for the purpose of paying annual leave of employees separated from the service as a result of reductions of appropriations provided herein, but the transfer authority provided herein shall not extend beyond December 31, 1953."

That the House recede from its disagreement to the amendment of the Senate numbered 28, and concur therein with an amendment, as follows: In lieu of the matter proposed by said amendment insert: "*Provided further*, That after payment of amounts certified to be due for prior fiscal years, the funds herein appropriated shall be apportioned among the States in accordance with regulations promulgated by the Secretary to insure equitable maintenance and improvement of State programs; and the obligation of the United States to any State under such act for fiscal year 1954 shall not exceed the amount so apportioned to such State: *Provided further*, That the amount apportioned to a State for fiscal year 1955 shall not exceed \$1 for each 75 cents contributed by the State for the same purposes."

That the House recede from its disagreement to the amendment of the Senate numbered 61, and concur therein with an amendment, as follows: In lieu of the matter proposed by said amendment insert:

"SEC. 208. Not to exceed 5 percent of any appropriation from the general fund of the Treasury in this title available for salaries and expenses may be transferred to any other such appropriation for the purpose of paying annual leave of employees separated from the service as a result of reductions of appropriations provided herein, but the transfer authority provided herein shall not extend beyond December 31, 1953."

Mr. THYE. Mr. President, I move that the Senate concur in the amendments of the House to the amendments of the Senate numbered 17, 18, 28, and 61.

The motion was agreed to.

TEMPORARY APPOINTMENTS FOR CERTAIN OFFICES OF THE HOUSE OF REPRESENTATIVES

Mr. KNOWLAND. Mr. President, I ask unanimous consent that the unfinished business be temporarily laid aside, and that the Senate proceed to the consideration of House bill 6571, relating to temporary appointments for certain offices of the House of Representatives.

I have discussed this matter with the minority leader. This House bill amends the Legislative Reorganization Act of 1946, to provide for the appointment of persons to exercise temporarily the duties of certain offices of the House of Representatives. The bill relates only to the House of Representatives. It gives the Speaker the power to fill certain vacancies in case they occur.

Under the general rule of comity between the two Houses, although the bill has not been printed and the report is not before us, I have asked unanimous consent that the unfinished business be temporarily laid aside, and that the Senate now proceed to consider this bill.

The PRESIDING OFFICER (Mr. BENNETT in the chair). Is there objection to the request of the Senator from California?

Mr. HUMPHREY. Mr. President, I understand that the request is in line with normal procedure, and that the bill in no way affects the activities of the Senate, but relates strictly to an organizational matter of the House of Representatives.

Mr. KNOWLAND. That is correct.

However, since the bill is relatively short, I now ask unanimous consent that the bill be read at this point.

The PRESIDING OFFICER. The bill will be read.

The bill (H. R. 6571) amending the Legislative Reorganization Act of 1946 to provide for the appointment of persons to exercise temporarily the duties of certain offices of the House of Representatives was read the first time by its title and the second time at length, as follows:

Be it enacted, etc., That the Legislative Reorganization Act of 1946, as amended, is amended by adding after section 207 the following new section:

"SEC. 208. (a) In case of a vacancy, from whatever cause, in the office of Clerk, Sergeant at Arms, doorkeeper, postmaster, or chaplain, of the House of Representatives, or in case of the incapacity or inability of the incumbent of any such office to perform the duties thereof, the Speaker of the House of Representatives may appoint a person to act as, and to exercise temporarily the duties of, Clerk, Sergeant at Arms, doorkeeper, postmaster, or chaplain, as the case may be, until a person is chosen by the House of Representatives and duly qualifies as Clerk, Sergeant at Arms, doorkeeper, postmaster, or chaplain, as the case may be, or until the termination of the incapacity or inability of the incumbent.

"(b) Any person appointed pursuant to this section shall exercise all the duties, shall have all the powers, and shall be subject to all the requirements and limitations applicable with respect to one chosen by the House of Representatives to fill the office involved; but nothing in this section shall be held to amend, repeal, or otherwise affect

Public Law 176 - 83d Congress

Chapter 302 - 1st Session

H. R. 4663

AN ACT

All 67 Stat. 298.

Making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1954, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the Executive Office and sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1954, namely: First Independent Offices Appropriation Act, 1954.

TITLE I

EXECUTIVE OFFICE OF THE PRESIDENT

COMPENSATION OF THE PRESIDENT

For compensation of the President, including an expense allowance at the rate of \$50,000 per annum, as authorized by the Act of January 19, 1949 (3 U. S. C. 102), \$150,000.

63 Stat. 4.

THE WHITE HOUSE OFFICE

Salaries and expenses: For expenses necessary for The White House Office, including not to exceed \$120,000 for services as authorized by section 15 of the Act of August 2, 1946 (5 U. S. C. 55a), at such per diem rates for individuals as the President may specify, and other personal services without regard to the provisions of law regulating the employment and compensation of persons in the Government service; and travel and official entertainment expenses of the President, to be accounted for solely on his certificate; \$1,800,000. 60 Stat. 810.

EMERGENCY FUND FOR THE PRESIDENT

NATIONAL DEFENSE

For expenses necessary to enable the President, through such officers or agencies of the Government as he may designate, and without regard to such provisions of law regarding the expenditure of Government funds or the compensation and employment of persons in the Government service as he may specify, to provide in his discretion for emergencies affecting the national interest, security, or defense which may arise at home or abroad during the current fiscal year, \$300,000, together with the unobligated balance in such fund on June 30, 1953: *Provided*, That no part of this appropriation shall be available for allocation to finance a function or project for which function or project a budget estimate of appropriation was transmitted pursuant to law during the Eighty-third Congress and such appropriation denied after consideration thereof by the Senate or House of Representatives or by the Committee on Appropriations of either body.

EXECUTIVE MANSION AND GROUNDS

For the care, maintenance, repair and alteration, refurnishing, improvement, heating and lighting, including electric power and fixtures, of the Executive Mansion and the Executive Mansion grounds, and traveling expenses, to be expended as the President may determine, notwithstanding the provisions of this or any other Act, \$356,184.

Salaries and expenses: For expenses necessary for the Bureau of the Budget, including newspapers and periodicals (not exceeding \$200); teletype news service (not exceeding \$900); not to exceed \$70,000 for expenses of travel; and not to exceed \$20,000 for services as authorized by section 15 of the Act of August 2, 1946 (5 U. S. C. 55a), at rates not to exceed \$50 per diem for individuals; \$3,412,000: *Provided*, That the title of the position of the Assistant Director of the Bureau of the Budget is changed to Deputy Director: *Provided further*, That two positions of Assistant Director are hereby authorized at a salary of \$15,000 each per annum in lieu of two positions in grade GS-18.

60 Stat. 810.
Deputy
Director.
Assistant
Directors.

INDEPENDENT OFFICES

AMERICAN BATTLE MONUMENTS COMMISSION

SALARIES AND EXPENSES

Salaries and expenses: For necessary expenses, as authorized by the Act of June 26, 1946 (36 U. S. C. 121, 123-132, 138), including the acquisition of land or interest in land in foreign countries; purchase and repair of uniforms for caretakers of national cemeteries and monuments outside of the United States and its Territories and possessions at a cost not exceeding \$500; not to exceed \$12,000 for expenses of travel; rent of office and garage space in foreign countries; and insurance of official motor vehicles in foreign countries when required by law of such countries; \$750,000: *Provided*, That where station allowance has been authorized by the Department of the Army for officers of the Army serving the Army at certain foreign stations, the same allowance shall be authorized for officers of the Armed Forces assigned to the Commission while serving at the same foreign stations, and this appropriation is hereby made available for the payment of such allowance: *Provided further*, That when traveling on business of the Commission, officers of the Armed Forces serving as members or as secretary of the Commission may be reimbursed for expenses as provided for civilian members of the Commission.

Station al-
lowance.

60 Stat. 317.

CONSTRUCTION OF MEMORIALS AND CEMETERIES

Construction of memorials and cemeteries: For expenses necessary for the permanent design and construction of memorials and cemeteries in foreign countries as authorized by the Act of June 26, 1946 (36 U. S. C. 121, 123-132, 138b), and the Act of August 5, 1947 (50 U. S. C. App. 1819), including not to exceed \$41,276 for expenses of travel, \$8,500,000, to remain available until expended.

60 Stat. 317.
61 Stat. 779.

CIVIL SERVICE COMMISSION

Salaries and expenses: For necessary expenses, including not to exceed \$29,000 for services as authorized by section 15 of the Act of August 2, 1946 (5 U. S. C. 55a); not to exceed \$10,000 for medical examinations performed for veterans by private physicians on a fee basis; travel expenses of examiners acting under the direction of the Commission, and expenses of examinations and investigations held in Washington and elsewhere; not to exceed \$100 for the purchase of newspapers and periodicals (excluding scientific, technical, trade or traffic periodicals, for official use); payment in advance for library membership in societies whose publications are available to members only or to members at a price lower than to the general public; not

60 Stat. 810.

to exceed \$65,000 for performing the duties imposed upon the Commission by the Act of July 19, 1940 (54 Stat. 767); reimbursement of the General Services Administration for security guard services for protection of confidential files; not to exceed \$476,670 for expenses of travel; and not to exceed \$5,000 for actuarial services by contract, without regard to section 3709, Revised Statutes, as amended; \$17,000,000: *Provided*, That no details from any executive department or independent establishment in the District of Columbia or elsewhere to the Commission's central office in Washington or to any of its regional offices shall be made during the current fiscal year, but this shall not affect the making of details for service as members of the boards of examiners outside the immediate offices of the Commission in Washington or of the regional directors, nor shall it affect the making of details of persons qualified to serve as expert examiners on special subjects: *Provided further*, That the Civil Service Commission shall have power in case of emergency to transfer or detail any of its employees to or from its office or field force: *Provided further*, That members of the Loyalty Review Board in Washington and of the regional loyalty boards in the field may be paid actual transportation expenses, and per diem in lieu of subsistence authorized by the Travel Expense Act of 1949 while traveling on official business away from their homes or regular places of business, and while en route to and from and at the place where their services are to be performed: *Provided further*, That nothing in section 281 or 283 of title 18, United States Code, or in section 190 of the Revised Statutes (5 U. S. C. 99) shall be deemed to apply to any person because of his appointment for part-time or intermittent service as a member of the Loyalty Review Board or a regional loyalty board in the Civil Service Commission: *Provided further*, That, effective July 1, 1953, or on the date of enactment of this Act if such date is subsequent to July 1, 1953, the Federal Personnel Council, Civil Service Commission, is hereby abolished, and its personnel (at a cost not exceeding \$25,000 for the current fiscal year), files, records, and other property are transferred to the Office of the Executive Director, Civil Service Commission.

No part of the appropriations herein made to the Civil Service Commission shall be available for the salaries and expenses of the Legal Examining Unit in the Examining and Personnel Utilization Division of the Commission, established pursuant to Executive Order Numbered 9358 of July 1, 1943, or for the compensation or expenses of any member of a board of examiners (1) who has not made affidavit that he has not appeared in any agency proceeding within the preceding two years, and will not thereafter while a board member appear in any agency proceeding, as a party, or in behalf of a party to the proceeding, before an agency in which an applicant is employed who has been rated or will be rated by such member; or (2) who, after making such affidavit, has rated an applicant who at the time of the rating is employed by an agency before which the board member has appeared as a party, or in behalf of a party, within the preceding two years: *Provided*, That the definitions of "agency", "agency proceeding", and "party" in section 2 of the Administrative Procedure Act shall apply to these terms as used herein.

No part of appropriations herein shall be used to pay the compensation of officers and employees of the Civil Service Commission who allocate or reallocate supervisory positions in the classified civil service solely on the size of the group, section, bureau, or other organization unit, or on the number of subordinates supervised. References to size of the group, section, bureau, or other organization unit or the number of subordinates supervised may be given effect only to the extent warranted by the workload of such organization unit and then

5 USC 1181,
118k-118n.

41 USC 5.

Emergency
transfer, etc.
Loyalty Review
Board.63 Stat. 166.
5 USC 835 note.

62 Stat. 697.

Federal
Personnel
Council.Legal Examining
Unit.3 CFR 1943 Supp.
p. 30.Compensation of
certain board
members.60 Stat. 237.
5 USC 1001.Compensation of
officers allo-
cating supervi-
sory positions.

only in combination with other factors, such as the kind, difficulty, and complexity of work supervised, the degree and scope of responsibility delegated to the supervisor, and the kind, degree, and value of the supervision actually exercised.

Annuities.

Annuities, Panama Canal construction employees and Lighthouse Service widows: For payment of annuities authorized by the Act of May 29, 1944, as amended (48 U. S. C. 1373a), and the Act of August 19, 1950 (64 Stat. 465), \$2,500,000.

58 Stat. 258.

33 USC 771-775.

Payment to the civil-service retirement and disability fund for increases in annuities provided by the Act of July 16, 1952: For payment to the "civil-service retirement and disability fund" for the cost, as heretofore determined by the Civil Service Commission, of increases in annuities provided by the Act of July 16, 1952 (66 Stat. 723), for the fiscal year 1954, \$31,397,000.

5 USC 736a.

FEDERAL COMMUNICATIONS COMMISSION

Salaries and expenses: For necessary expenses in performing the duties of the Commission as authorized by law, including newspapers (not to exceed \$175), land and structures (not to exceed \$13,000), special counsel fees, improvement and care of grounds and repairs to buildings (not to exceed \$17,500), services as authorized by section 15 of the Act of August 2, 1946 (5 U. S. C. 55a), purchase of not to exceed eight passenger motor vehicles, for replacement only, in the event adequate vehicles cannot be obtained by transfer from other departments or agencies, and not to exceed \$88,000 for expenses of travel, \$7,400,000, of which not less than \$1,018,496 shall be available for personal services necessary for application processing and hearings in connection with the issuance and renewal of television licenses, and not less than \$809,271 shall be available for personal services necessary for application processing and hearings in connection with the issuance of licenses in the safety and special radio services.

60 Stat. 810.

FEDERAL POWER COMMISSION

Salaries and expenses: For expenses necessary for the work of the Commission, as authorized by law, including not to exceed \$210,000 for expenses of travel; hire of passenger motor vehicles; and not to exceed \$500 for newspapers; \$4,300,000, of which not to exceed \$10,000 shall be available for special counsel and services as authorized by section 15 of the Act of August 2, 1946 (5 U. S. C. 55a), but at rates not exceeding \$50 per diem for individuals.

60 Stat. 810.

FEDERAL TRADE COMMISSION

Salaries and expenses: For necessary expenses of the Federal Trade Commission, including contract stenographic reporting services, not to exceed \$500 for newspapers, and not to exceed \$163,035 for expenses of travel, \$4,053,800: *Provided*, That no part of the foregoing appropriation shall be expended upon any investigation hereafter provided by concurrent resolution of the Congress until funds are appropriated subsequently to the enactment of such resolution to finance the cost of such investigation: *Provided further*, That no part of the foregoing appropriation shall be available for a statistical analysis of the consumer's dollar.

GENERAL ACCOUNTING OFFICE

Salaries and expenses: For necessary expenses of the General Accounting Office, including newspapers and periodicals (not exceeding \$500), and services as authorized by section 15 of the Act of August 2, 1946 (5 U. S. C. 55a), \$31,981,000.

60 Stat. 810.

GENERAL SERVICES ADMINISTRATION

Operating expenses, Public Buildings Service: For necessary expenses of real property management and related activities as provided by law; including the salary of the Commissioner of Public Buildings at the rate of \$16,500 per annum so long as the position is held by the present incumbent; repair and improvement of public buildings and grounds (including furnishings and equipment) under the control of the General Services Administration; rental of buildings in the District of Columbia; restoration of leased premises; moving Government agencies in connection with the assignment, allocation, and transfer of building space; demolition of buildings; acquisition or purchase or otherwise and disposal by sale or otherwise of real estate and interests therein; and not to exceed \$184,750 for expenses of travel; \$98,826,070: *Provided*, That the foregoing appropriation shall not be available to effect the moving of Government agencies from the District of Columbia into buildings acquired to accomplish the dispersal of departmental functions of the executive establishment into areas outside of but accessible to the District of Columbia.

Commissioner
of Public
Buildings.

Dispersal of
departmental
functions.

Emergency operating expenses: For necessary emergency expenses of the General Services Administration not otherwise provided for, for operation, maintenance, protection, repair, alterations, and improvements of public buildings and grounds (including furnishings and equipment) to the extent that such buildings and grounds are under the control of the General Services Administration for such purposes as are provided for in Public Law 152, Eighty-first Congress, as amended; rental of buildings or parts thereof in the District of Columbia and elsewhere, including repairs, alterations, and improvements necessary for proper use by the Government, without regard to section 322 of the Act of June 30, 1932, as amended (40 U. S. C. 278a); restoration of leased premises; moving Government agencies in connection with the assignment, allocation, and transfer of building space; and not to exceed \$24,300 for expenses of travel; \$20,000,000: *Provided*, That of this amount, such sums as may be determined by the General Services Administrator to be necessary may be paid into other appropriations of the General Services Administration only for purposes of accounting: *Provided further*, That no part of this appropriation shall be available to effect the moving of Government agencies from the District of Columbia to accomplish the dispersal of departmental functions.

63 Stat. 377.
40 USC 471
note.

47 Stat. 412.

Restrictions.

Repair, improvement, and equipment of federally owned buildings outside the District of Columbia: For expenses necessary for the repair, alteration, preservation, renovation, improvement, equipment, and demolition of federally owned buildings outside the District of Columbia, not otherwise provided for, including grounds, approaches and appurtenances, wharves and piers, together with the necessary dredging adjacent thereto; acquisition of land as authorized by title III of the Act of June 16, 1949 (40 U. S. C. 297); not to exceed \$146,700 for expenses of travel; and care and safeguarding of sites acquired for Federal buildings; \$14,000,000, to remain available until expended.

Buildings out-
side D. C.

63 Stat. 198.

All 67 Stat. 303.

40 USC 490. Buildings management fund: For working capital for the "Buildings management fund", authorized by the Act approved July 12, 1952 (66 Stat. 594), \$3,000,000, to remain available without fiscal year limitation.

63 Stat. 200. Remodeling the Congress Street Post Office, Chicago, Illinois: For remodeling the Congress Street Post Office building and facilities in Chicago, Illinois, including ramps and approach roadways, as authorized by section 408 of the Public Buildings Act of 1949 (63 Stat. 176), to permit Congress Street to be developed, by the City of Chicago, as a superhighway through said post office, and including not to exceed \$800 for expenses of travel, \$576,200, to remain available until expended: *Provided*, That this appropriation shall not be available until the city of Chicago shall have paid to the United States the sum of \$600,000 as its contribution to the cost of the project appropriated for herein, and said amount may be credited to this appropriation and shall be available for the purposes thereof.

Federal Supply Service. Operating expenses, Federal Supply Service: For necessary expenses of personal property management and related activities as provided by law; including not to exceed \$300 for the purchase of newspapers and periodicals; and not to exceed \$80,430 for expenses of travel, \$2,605,000.

Expenses, general supply fund: For expenses necessary for operation of the general supply fund (except those authorized by law to be charged to said fund), including contractual services incident to receiving, handling, and shipping warehouse items; not to exceed \$250 for purchase of newspapers and periodicals; and not to exceed \$157,450 for expenses of travel; \$13,924,500: *Provided*, That funds available to the General Services Administration for the current fiscal year shall be available for the hire of passenger motor vehicles.

NARS. Operating expenses, National Archives and Records Service: For necessary expenses in connection with Federal records management and related activities as provided by law; and not to exceed \$30,750 for expenses of travel; \$5,625,000, of which \$200,000 shall remain available until expended for nitrate film conversion.

Administrative operations: For necessary expenses of executive direction for activities under the control of the General Services Administration, of administrative operations for activities under regular appropriations for "Operating expenses," and of processing and determining renegotiation rebates; including not to exceed \$93,400 for expenses of travel; and not to exceed \$250 for purchase of newspapers and periodicals; \$4,200,000.

65 Stat. 23. Refunds under Renegotiation Act: For refunds under section 201 of the Renegotiation Act of 1951, \$9,000,000, which, together with the unobligated balance of the appropriations granted under this head for the fiscal years 1952 and 1953, shall remain available until June 30, 1955: *Provided*, That to the extent refunds are made from this appropriation of excessive profits collected under the Renegotiation Act and retained by the Reconstruction Finance Corporation or any of its subsidiaries, the Reconstruction Finance Corporation or the appropriate subsidiary shall reimburse this appropriation.

58 Stat. 78. Strategic and critical materials: Funds available for this purpose during the current fiscal year shall be available for services as authorized by section 15 of the Act of August 2, 1946 (5 U. S. C. 55a), and not to exceed \$176,275 of such funds shall be available for expenses of travel: *Provided*, That any funds received as proceeds from sale or other disposition of materials on account of the rotation of stocks under said Act shall be deposited to the credit, and be available for expenditure for the purposes, of this appropriation: *Provided further*, That during the current fiscal year, there shall be no limitation on the value

60 Stat. 810.

of surplus strategic and critical materials which, in accordance with subsection 6 (a) of the Act of July 23, 1946 (50 U. S. C. 98e (a)), may be transferred to stockpiles established in accordance with said Act. 60 Stat. 598.

Strategic and critical materials (liquidation of contract authorization): For liquidation of obligations incurred pursuant to authority heretofore granted under this head, to enter into contracts for the purpose of the Strategic and Critical Materials Stock Piling Act of July 23, 1946, not to exceed \$30,000,000 may be expended from funds previously appropriated under the title "Strategic and critical materials": *Provided*, That this amount may be disbursed through the appropriation "Strategic and critical materials" but shall be accounted for separately therein. 60 Stat. 596.
50 USC 98 note.

The appropriate foregoing appropriation to the General Services Administration shall be credited with (1) advances or reimbursements for salaries and administrative expenses chargeable against other appropriations of the General Services Administration, and such salaries and expenses may be paid from such foregoing appropriation; (2) cost of maintenance, upkeep, and repair included as part of rentals received from Government corporations pursuant to law (40 U. S. C. 129); (3) reimbursements for services performed in respect to bonds and other obligations under the jurisdiction of the General Services Administration, issued by public authorities, States, or other public bodies, and such services in respect to such bonds or obligations as the Administrator deems necessary and in the public interest may, upon the request and at the expense of the issuing agencies, be provided from the appropriate foregoing appropriation; and (4) appropriations or funds available to other agencies, and transferred to the General Services Administration, in connection with property transferred to the General Services Administration pursuant to the Act of July 2, 1948 (50 U. S. C. 451ff), and such appropriations or funds may, with the approval of the Bureau of the Budget, be so transferred. 61 Stat. 584.
62 Stat. 1225.

During the current fiscal year, no part of any money appropriated in this or any other Act shall be used during any quarter of such fiscal year to purchase within the continental limits of the United States typewriting machines (except bookkeeping and billing machines) at a price which exceeds 90 per centum of the lowest net cash price, plus applicable Federal excise taxes, accorded the most-favored customer (other than the Government, the American National Red Cross, and the purchasers of typewriting machines for educational purposes only) of the manufacturer of such machines during the six-month period immediately preceding such quarter: *Provided*, That the purchase, utilization, and disposal of typewriting machines shall be performed in accordance with the provisions of the Federal Property and Administrative Services Act of 1949, as amended. Typewriting machines.
63 Stat. 377.
40 USC 471
note.

REDUCTIONS IN APPROPRIATIONS

Amounts available to the General Services Administration from appropriations and other funds are hereby reduced in the sums hereinafter set forth, such sums to be carried to the surplus fund and covered into the Treasury immediately upon the approval of this Act:

Construction of public buildings, \$160,000.

Geophysical Institute, Alaska, \$49,000.

Acquisition of additional land in the District of Columbia, \$1,075,000.

HOUSING AND HOME FINANCE AGENCY

OFFICE OF THE ADMINISTRATOR

Salaries and expenses: For necessary expenses of the Office of the Administrator, including rent in the District of Columbia; services as authorized by section 15 of the Act of August 2, 1946 (5 U. S. C. 55a); not to exceed \$193,550 for expenses of travel; expenses of attendance at meetings of organizations concerned with the work of the agency; and transportation expenses and not to exceed \$25 per diem in lieu of subsistence, as authorized by section 5 of the Act of August 2, 1946 (5 U. S. C. 73b-2), for persons serving without compensation as members of any advisory committee established pursuant to title VI of the Housing Act of 1949; \$3,215,550, of which not to exceed \$125,000 shall be available for liquidation of the housing research program not later than April 30, 1954: *Provided*, That necessary expenses of inspections and of providing representatives at the site of projects being undertaken by local public agencies pursuant to title I of the Housing Act of 1949 and of projects financed through loans to educational institutions authorized by title IV of the Housing Act of 1950, shall be compensated by such agencies or institutions by the payment of fixed fees which in the aggregate will cover the costs of rendering such services, and expenses for such purpose shall be considered nonadministrative; and for the purpose of providing such inspections, the Administrator may utilize any agency and such agency may accept reimbursement or payment for such services from such institutions or the Administrator, and shall credit such amounts to the appropriations or funds against which such charges have been made, but such nonadministrative expenses shall not exceed \$500,000: *Provided further*, That the Administrator is authorized without regard to any other provisions of law to transfer without reimbursement any project or facility, or part thereof, constructed or provided under title II of the Act of October 14, 1940, as amended (including any personal property related to such project or facility), to any other department or agency, whenever the head of such department or agency so requests after determining that such project or facility is required for the continued operation of or is an integral part of a project or facility under the jurisdiction of such department or agency.

Defense Community Facilities and Services: During the current fiscal year not to exceed \$112,500 of the appropriations granted under this head in the Second and Third Supplemental Appropriation Act, 1952, shall be available for administrative expenses in connection with the construction of facilities under such appropriations.

Capital grants for slum clearance and urban redevelopment: For an additional amount for payment of capital grants as authorized by title I of the Housing Act of 1949, as amended (42 U. S. C. 1453, 1456), \$20,000,000, to remain available until expended: *Provided*, That before approving any local slum clearance program under title I of the Housing Act of 1949, the Administrator shall give consideration to the efforts of the locality to enforce local codes and regulations relating to adequate standards of health, sanitation, and safety for dwellings and to the feasibility of achieving slum clearance objectives through rehabilitation of existing dwellings and areas: *Provided further*, That the authority under title I of the National Housing Act shall be used to the utmost in connection with slum rehabilitation needs.

60 Stat. 810.

60 Stat. 808.

63 Stat. 439.

12 USC 1701h.

63 Stat. 414.

42 USC 1451-1460.

64 Stat. 77.

12 USC 1749-

1749c.

55 Stat. 361.

42 USC 1531-

1535.

65 Stat. 762;

66 Stat. 108.

63 Stat. 416,

417.

42 USC 1451-

1460.

PUBLIC HOUSING ADMINISTRATION

Administrative expenses: For administrative expenses of the Public Housing Administration, \$6,950,000, to be merged with and expended under the authorization for such expenses contained in title II of this Act.

Annual contributions: For the payment of annual contributions to public housing agencies in accordance with section 10 of the United States Housing Act of 1937, as amended (42 U. S. C. 1410), \$32,500,000: 50 Stat. 891.
Provided, That except for payments required on contracts entered into prior to April 18, 1940, no part of this appropriation shall be available for payment to any public housing agency for expenditure in connection with any low-rent housing project, unless the public housing agency shall have adopted regulations prohibiting as a tenant of any such project by rental or occupancy any person other than a citizen of the United States, but such prohibition shall not be applicable in the case of a family of any serviceman or the family of any veteran who has been discharged (other than dishonorably) from, or the family of any serviceman who died in, the Armed Forces of the United States within four years prior to the date of application for admission to such housing: *Provided further*, That all expenditures of this appropriation shall be subject to audit and final settlement by the Comptroller General of the United States under the provisions of the Budget and Accounting Act of 1921, as amended: 42 Stat. 20.
Provided further, That unless the governing body of the locality 31 USC 1. agrees to its completion, no housing shall be authorized by the Public Housing Administration, or, if under construction continue to be constructed, in any community where the people of that community, by their duly elected representatives, or by referendum, have indicated they do not want it, and such community shall negotiate with the Federal Government for the completion of such housing, or its abandonment, in whole or in part, and shall agree to repay to the Government the moneys expended prior to the vote or other formal action whereby the community rejected such housing project for any such projects not to be completed plus such amount as may be required to pay all costs and liquidate all obligations lawfully incurred by the local housing authority prior to such rejection in connection with any project not to be completed: *Provided further*, That, in any case where the Public Housing Administration (after the approvals on the part of the governing body of the locality required by law) has entered into a financial assistance contract with a local housing authority covering any low-rent housing projects to be constructed in such locality and, (a) thereafter but prior to the effective date of this Act, a majority of the members of the governing body of the locality, and the people of the locality have voted against any such low-rent housing projects, and (b) the local housing authority and the governing body of the locality agree to a modification of the agreement providing the required local cooperation in connection with such low-rent housing projects, the preceding proviso shall not be applicable and: (1) the Public Housing Administration shall not, unless the governing body of the locality shall, by resolution, request such action, (a) authorize the award of any contract for the construction of any such low-rent housing project, or (b) make any further advance of funds on account of any such project for which the main construction contract has not heretofore been awarded, excepting only such funds as may be required by the local housing authority (i) to pay all costs and liquidate all obligations heretofore properly incurred by it in connection with any such project which pursuant to such modification is to be terminated and (ii) to pay costs in connection with the liquidation (including the sale of land or other assets) of any such terminated project; (2) in

All 67 Stat. 307.

the liquidation of any such terminated project no claim shall be made by the local housing authority or the Public Housing Administration against the locality or its governing body on account of such termination; (3) the Public Housing Administration shall absorb as a loss, and shall release the local housing authority from, all claims, if any, of said Administration in connection with such terminated project in excess of the net amount realized from the sale by the local housing authority of all land (which if sold to other than a public agency shall be after public advertisement to the highest responsible bidder but if sold to a public agency may be at a price equal to the purchase price of the land, exclusive of improvements, as approved by the Public Housing Commissioner) and other assets acquired and held in connection with such terminated project; and (4) the Secretary of the Treasury shall credit as a payment upon the note or notes of the Public Housing Administration executed and delivered in connection with funds obtained pursuant to section 20 of the United States Housing Act of 1937, as amended, an amount equal to such loss as certified by the Public Housing Commissioner: *Provided further*, That the record of expenditure of the Public Housing Administration and of the local housing authority on any public housing project shall be open to examination by the responsible authorities of any community in which such project is located, or by the local public housing authority, or by any firm of public accountants retained by either of the foregoing: *Provided further*, That no housing unit constructed under the United States Housing Act of 1937, as amended, shall be occupied by a person who is a member of an organization designated as subversive by the Attorney General: *Provided further*, That the foregoing prohibition shall be enforced by the local housing authority, and that such prohibition shall not impair or affect the powers or obligations of the Public Housing Administration with respect to the making of loans and annual contributions under the United States Housing Act of 1937, as amended: *Provided further*, That notwithstanding the provisions of the United States Housing Act of 1937, as amended, the Public Housing Administration shall not, with respect to projects initiated after March 1, 1949, (1) authorize during the fiscal year 1954 the commencement of construction of in excess of twenty thousand dwelling units or (2) after the date of approval of this Act, enter into any new agreements, contracts, or other arrangements, preliminary or otherwise, which will ultimately bind the Public Housing Administration during fiscal year 1954 or for any future years with respect to loans or annual contributions for any additional dwelling units or projects unless hereafter authorized by the Congress to do so, and during the fiscal year 1954 the Housing and Home Finance Administrator shall make a complete analysis and study of the low-rent public housing program and, on or before February 1, 1954, shall transmit to the Appropriations Committees of the House and Senate his recommendations with respect to such low-rent public housing program.

REDUCTIONS IN APPROPRIATIONS

Defense housing: The sum of \$17,500,000 of funds heretofore appropriated under this head is hereby rescinded, and such amount shall be covered into the Treasury promptly upon enactment of this Act: *Provided*, That the amount hereby rescinded may be reduced by an amount determined by the Administrator to be required as a reserve for overruns and contingencies in connection with projects heretofore assigned for construction pursuant to Public Law 139 (Eighty-second Congress).

50 Stat. 898.

42 USC 1420.

42 USC 1430.

65 Stat. 293.

42 USC 1591

note.

Alaska housing: Of amounts heretofore appropriated under this head for the revolving fund authorized by the Alaska Housing Act, Public Law 52 (Eighty-first Congress), the Administrator shall cause to be covered into the Treasury a total of \$5,000,000 in one or more deposits as soon as practicable, but not later than June 30, 1954. 63 Stat. 57.
48 USC 484 note.

Advance planning of non-Federal public works: The sum of \$4,600,000 of funds heretofore appropriated under this head is hereby rescinded, and such amount shall be covered into the Treasury promptly upon enactment of this Act.

INDIAN CLAIMS COMMISSION

Salaries and expenses: For expenses necessary to carry out the purposes of the Act of August 13, 1946 (25 U. S. C. 70), creating an Indian Claims Commission, \$117,020, of which not to exceed \$3,560 shall be available for expenses of travel. 60 Stat. 1049.

INTERSTATE COMMERCE COMMISSION

General expenses: For expenses necessary in performing the functions vested by law in the Commission (49 U. S. C. 1-24, 301-327, 901-923, 1001-1022), except those otherwise specifically provided for in this Act, and for general administration, including not to exceed \$5,000 for the employment of special counsel; contract stenographic reporting services; newspapers (not to exceed \$200); purchase of not to exceed four passenger motor vehicles, for replacement only, in the event adequate vehicles cannot be obtained by transfer from other departments or agencies; and not to exceed \$251,650 for expenses of travel; \$9,600,000, of which \$100,000 shall be available for valuations of pipe lines: *Provided*, That Joint Board members and cooperating State commissioners may use Government transportation requests when traveling in connection with their duties as such. Government transportation requests.

Railroad safety: For expenses necessary in performing functions authorized by law (45 U. S. C. 1-15, 17-21, 35-46, 61-64; 49 U. S. C. 26) to insure a maximum of safety in the operation of railroads, including authority to investigate, test experimentally, and report on the use and need of any appliances or systems intended to promote the safety of railway operation, including those pertaining to block-signal and train-control systems, as authorized by the joint resolution approved June 30, 1906, and the Sundry Civil Act of May 27, 1908 (45 U. S. C. 35-37), and to require carriers by railroad subject to the Act to install automatic train-stop or train-control devices as prescribed by the Commission (49 U. S. C. 26), including the employment of inspectors and engineers, and including not to exceed \$163,050 for expenses of travel, \$974,500. 34 Stat. 838.
35 Stat. 325.
41 Stat. 498.

Locomotive inspection: For expenses necessary in the enforcement of the Act of February 17, 1911, entitled "An Act to promote the safety of employees and travelers upon railroads by compelling common carriers engaged in interstate commerce to equip their locomotives with safe and suitable boilers and appurtenances thereto", as amended (45 U. S. C. 22-34), including not to exceed \$112,620 for expenses of travel, \$709,500. 36 Stat. 913.

INTERSTATE COMMISSION ON THE POTOMAC RIVER BASIN

Contribution to Interstate Commission on the Potomac River Basin: To enable the Secretary of the Treasury to pay in advance to the Interstate Commission on the Potomac River Basin the Federal con-

All 67 Stat. 309.

33 USC 567b.

tribution toward the expenses of the Commission during the current fiscal year in the administration of its business in the conservancy district established pursuant to the Act of July 11, 1940 (54 Stat. 748), \$5,000.

NATIONAL ADVISORY COMMITTEE FOR AERONAUTICS

60 Stat. 810.

Salaries and expenses: For necessary expenses of the Committee, including one Director at not to exceed \$17,500 per annum so long as the position is held by the present incumbent; contracts for the making of special investigations and reports and for engineering, drafting and computing services; equipment; not to exceed \$310,000 for expenses of travel; maintenance and operation of aircraft; not to exceed \$100 for newspapers and periodicals; and services as authorized by section 15 of the Act of August 2, 1946 (5 U. S. C. 55a); \$51,000,000.

Construction and equipment: For construction and equipment at laboratories and research stations of the Committee, including the acquisition of not to exceed ten acres of land adjacent to the Lewis Flight Propulsion Laboratory, Cleveland, Ohio, \$7,239,000, to remain available until expended.

Construction and equipment (liquidation of contract authorization): For liquidation of obligations incurred pursuant to authority heretofore granted under this head to enter into contracts for construction and equipment, \$4,200,000.

NATIONAL CAPITAL HOUSING AUTHORITY

52 Stat. 1186.
D. C. Code
5-103 to 5-111.

64 Stat. 81.

Maintenance and operation of properties: For the maintenance and operation of properties under title I of the District of Columbia Alley Dwelling Authority Act, \$43,000: *Provided*, That all receipts derived from sales, leases, or other sources shall be covered into the Treasury of the United States monthly: *Provided further*, That so long as funds are available from appropriations for the foregoing purposes, the provisions of section 507 of the Housing Act of 1950 (Public Law 475, Eighty-first Congress), shall not be effective.

NATIONAL CAPITAL PLANNING COMMISSION

D.C.Code 1-1001
to 1-1113.

60 Stat. 810.

60 Stat. 808.

Salaries and expenses: For necessary expenses, as authorized by the National Capital Planning Act of 1952 (66 Stat. 781), including services as authorized by section 15 of the Act of August 2, 1946 (5 U. S. C. 55a); not to exceed \$100 for the purchase of newspapers and periodicals; not to exceed \$5,630 for expenses of travel; payment in advance for membership in societies whose publications or services are available to members only or to members at a price lower than to the general public; and transportation and not to exceed \$15 per diem in lieu of subsistence, as authorized by section 5 of the Act of August 2, 1946 (5 U. S. C. 73b-2), for members of the Commission serving without compensation; \$125,000.

D.C.Code 8-102
note.

Land acquisition, National Capital park, parkway, and playground system: For necessary expenses for the National Capital Planning Commission in connection with the acquisition of land for the park, parkway, and playground system of the National Capital, as authorized by the Act of May 29, 1930 (46 Stat. 482), as amended, \$100,000, to remain available until expended, to be used for carrying out the provisions of section 1 (a) of said Act: *Provided*, That not exceeding \$24,940 of the funds available for land acquisition purposes shall be

used during the current fiscal year for necessary expenses of the Commission (other than payments for land) in connection with land acquisition.

NATIONAL SCIENCE FOUNDATION

Salaries and expenses: For expenses necessary to carry out the purposes of the National Science Foundation Act of 1950 (42 U. S. C. 1861-1875), including award of graduate fellowships; services as authorized by section 15 of the Act of August 2, 1946 (5 U. S. C. 55a), at rates not to exceed \$50 per diem for individuals; hire of passenger motor vehicles; not to exceed \$89,500 for expenses of travel; not to exceed \$150 for the purchase of newspapers and periodicals; and reimbursement of the General Services Administration for security guard services; \$8,000,000, to remain available until expended.

64 Stat. 149.
60 Stat. 810.

RENEGOTIATION BOARD

SALARIES AND EXPENSES

For necessary expenses of the Renegotiation Board, including expenses of attendance at meetings concerned with the purposes of this appropriation; hire of passenger motor vehicles; not to exceed \$272,150 for expenses of travel; and services as authorized by section 15 of the Act of August 2, 1946 (5 U. S. C. 55a), at rates not to exceed \$50 per diem for individuals; \$5,192,800.

60 Stat. 810.

SECURITIES AND EXCHANGE COMMISSION

Salaries and expenses: For necessary expenses, including not to exceed \$500 for the purchase of newspapers; not to exceed \$127,000 for expenses of travel; and services as authorized by section 15 of the Act of August 2, 1946 (5 U. S. C. 55a); \$5,000,000.

60 Stat. 810.

SMITHSONIAN INSTITUTION

Salaries and expenses, Smithsonian Institution: For all necessary expenses for the preservation, exhibition, and increase of collections from the surveying and exploring expeditions of the Government and from other sources; for the system of international exchanges between the United States and foreign countries; for anthropological researches among the American Indians and the natives of lands under the jurisdiction or protection of the United States, independently or in cooperation with State, educational, and scientific organizations in the United States, and the excavation and preservation of archeological remains; for maintenance of the Astrophysical Observatory and making necessary observations in high altitudes; for the administration of the National Collection of Fine Arts; for the administration, construction and maintenance, of laboratory and other facilities on Barro Colorado Island, Canal Zone, under the provisions of the Act of July 2, 1940, as amended by the provisions of Reorganization Plan Numbered 3 of 1946; for the maintenance and administration of a national air museum as authorized by the Act of August 12, 1946 (20 U. S. C. 77); including not to exceed \$35,000 for services as authorized by section 15 of the Act of August 2, 1946 (5 U. S. C. 55a); not to exceed \$10,225 for expenses of travel; purchase, repair, and cleaning of uniforms for guards and elevator conductors; repairs and alterations of buildings and approaches; and preparation of manuscripts, drawings, and illustrations for publications; \$3,000,000.

54 Stat. 724.
48 USC 1381-1387.
60 Stat. 1101.
5 USC 133y-16 note.
60 Stat. 997.
60 Stat. 810.

All 67 Stat. 311.

53 Stat. 577.

20 USC 74.

60 Stat. 810.

Salaries and expenses, National Gallery of Art: For the upkeep and operation of the National Gallery of Art, the protection and care of the works of art therein, and administrative expenses incident thereto, as authorized by the Act of March 24, 1937 (50 Stat. 51), as amended by the public resolution of April 13, 1939 (Public Resolution 9, Seventy-sixth Congress), including services as authorized by section 15 of the Act of August 2, 1946 (5 U. S. C. 55a); payment in advance when authorized by the treasurer of the Gallery for membership in library, museum, and art associations or societies whose publications or services are available to members only, or to members at a price lower than to the general public; purchase, repair, and cleaning of uniforms for guards and elevator operators; purchase or rental of devices and services for protecting buildings and contents thereof, and maintenance and repair of buildings, approaches, and grounds; not to exceed \$1,800 for expenses of travel; and not to exceed \$15,000 for restoration and repair of works of art for the National Gallery of Art by contracts made, without advertising, with individuals, firms, or organizations at such rates or prices and under such terms and conditions as the Gallery may deem proper; \$1,275,000.

SUBVERSIVE ACTIVITIES CONTROL BOARD

60 Stat. 810.

31 USC 665.

Salaries and expenses: For necessary expenses of the Subversive Activities Control Board, including services as authorized by section 15 of the Act of August 2, 1946 (5 U. S. C. 55a), not to exceed \$12,500 for expenses of travel, and not to exceed \$100 for the purchase of newspapers and periodicals, \$200,000, without regard to the provisions of subsection (c) of section 3679 of the Revised Statutes, as amended.

TARIFF COMMISSION

60 Stat. 810.

46 Stat. 701.

19 USC 1336-

1338.

Salaries and expenses: For necessary expenses of the Tariff Commission, including subscriptions to newspapers (not to exceed \$200), not to exceed \$13,500 for expenses of travel, and contract stenographic reporting services as authorized by section 15 of the Act of August 2, 1946 (5 U. S. C. 55a), \$1,291,375: *Provided*, That no part of this appropriation shall be used to pay the salary of any member of the Tariff Commission who shall hereafter participate in any proceedings under sections 336, 337, and 338 of the Tariff Act of 1930, wherein he or any member of his family has any special, direct, and pecuniary interest, or in which he has acted as attorney or special representative.

THE TAX COURT OF THE UNITED STATES

Salaries and expenses: For necessary expenses, including contract stenographic reporting services and not to exceed \$45,000 for travel expenses, \$970,000: *Provided*, That travel expenses of the judges shall be paid upon the written certificate of the judge.

WAR CLAIMS COMMISSION

PAYMENT OF CLAIMS

62 Stat. 1240.

50 USC app.

2001 note.

For payment of claims, as authorized by the War Claims Act of 1948, as amended, from funds deposited in the Treasury to the credit of the war claims fund created by section 13 (a) of said Act, such sums as may be necessary, to be available to the Secretary of the Treasury for payment of claims under sections 4 (a), 4 (b) (2), 5 (a) through (e), 6, and 7 of said Act to the payees named and in the

amounts stated in certifications by the War Claims Commission and the Secretary of Labor or their duly authorized representatives, which certifications shall be in lieu of any vouchers which might otherwise be required: *Provided*, That this appropriation shall not be available for administrative expenses: *Provided further*, That no claims shall be allowed or paid under the provisions of said War Claims Act of 1948 from any funds other than those covered into the Treasury pursuant to the provisions of section 39 of the Trading With the Enemy Act of October 6, 1917, as amended, as provided by section 13 (a) of said War Claims Act of 1948.

62 Stat. 1246.
50 USC app. 39.
50 USC app.
2012.

ADMINISTRATIVE EXPENSES

For expenses necessary for the War Claims Commission, including services as authorized by section 15 of the Act of August 2, 1946 (5 U. S. C. 55a); expenses of attendance at meetings concerned with the purposes of this appropriation; not to exceed \$6,260 for expenses of travel; and advances or reimbursements to other Government agencies for use of their facilities and services in carrying out the functions of the Commission; \$850,000, to be derived from the war claims fund created by section 13 (a) of the War Claims Act of 1948 (Public Law 896, approved July 3, 1948).

60 Stat. 810.
50 USC app. 2012.

INDEPENDENT OFFICES—GENERAL PROVISIONS

SEC. 102. Where appropriations in this title are expendable for travel expenses of employees and no specific limitation has been placed thereon, the expenditures for such travel expenses may not exceed the amount set forth therefor in the budget estimates submitted for the appropriations.

Travel ex-
penses.

SEC. 103. Where appropriations in this title are expendable for the purchase of newspapers and periodicals and no specific limitation has been placed thereon, the expenditures therefor under each such appropriation shall not exceed the amount of \$50: *Provided*, That this limitation shall not apply to the purchase of scientific, technical, trade, or traffic periodicals necessary in connection with the performance of the authorized functions of the agencies for which funds are herein provided.

Purchase of
newspapers and
periodicals.

SEC. 104. No part of any appropriation contained in this title shall be available to pay the salary of any person filling a position, other than a temporary position, formerly held by an employee who has left to enter the Armed Forces of the United States and has satisfactorily completed his period of active military or naval service and has within ninety days after his release from such service or from hospitalization continuing after discharge for a period of not more than one year made application for restoration to his former position and has been certified by the Civil Service Commission as still qualified to perform the duties of his former position and has not been restored thereto.

Position for-
merly held by
employees
entering
Armed Forces.

SEC. 105. Appropriations contained in this title, available for expenses of travel shall be available, when specifically authorized by the head of the activity or establishment concerned, for expenses of attendance at meetings of organizations concerned with the function or activity for which the appropriation concerned is made: *Provided*, That appropriations contained in this title shall be available for the examination of estimates of appropriations and activities in the field without regard to limitations on travel contained in such appropriations.

Attendance at
meetings.

All 67 Stat. 313.

Real estate
sales, etc.,
restriction.

SEC. 106. No part of any appropriations made available by the provisions of this title shall be used for the purchase or sale of real estate or for the purpose of establishing new offices outside the District of Columbia: *Provided*, That this limitation shall not apply to programs which have been approved by the Congress and appropriations made therefor.

Personnel work.

SEC. 107. No part of any appropriation contained in this title shall be used to pay the compensation of any employee engaged in personnel work in excess of the number that would be provided by a ratio of one such employee to one hundred and thirty-five, or a part thereof, full-time, part-time, and intermittent employees of the agency concerned: *Provided*, That for purposes of this section employees shall be considered as engaged in personnel work if they spend half time or more in personnel administration consisting of direction and administration of the personnel program; employment, placement, and separation; job evaluation and classification; employee relations and services; training; wage administration; and processing, recording, and reporting.

Nonapplicability.

SEC. 108. None of the sections under the head "Independent offices. General provisions" in this title shall apply to the Housing and Home Finance Agency.

TITLE II—CORPORATIONS

The following corporations and agencies, respectively, are hereby authorized to make such expenditures, within the limits of funds and borrowing authority available to each such corporation or agency and in accord with law, and to make such contracts and commitments without regard to fiscal year limitations as provided by section 104 of the Government Corporation Control Act, as amended, as may be necessary in carrying out the programs set forth in the Budget for the fiscal year 1954 for each such corporation or agency, except as hereinafter provided:

59 Stat. 598.
31 USC 849.

HOUSING AND HOME FINANCE AGENCY

Federal National Mortgage Association: Not to exceed \$3,250,000 shall be available for administrative expenses, which shall be on an accrual basis, and shall be exclusive of interest paid, depreciation, properly capitalized expenditures, fees for servicing mortgages, expenses (including services performed on a force account, contract or fee basis, but not including other personal services) in connection with the acquisition, protection, operation, maintenance, improvement, or disposition of real or personal property belonging to said Association or in which it has an interest, cost of salaries, wages, travel, and other expenses of persons employed outside of the continental United States, expenses of services performed on a contract or fee basis in connection with the performance of legal services, and all administrative expenses reimbursable from other Government agencies; and said Association may utilize and may make payment for services and facilities of the Federal Reserve banks and other agencies of the Government: *Provided*, That the distribution of administrative expenses to the accounts of the Association shall be made in accordance with generally recognized accounting principles and practices: *Provided further*, That not to exceed \$108,175 shall be available for expenses of travel: *Provided further*, That administrative expenses not under limitation for the purposes set forth in the budget schedules for the fiscal year 1954 shall not exceed \$151,000.

Office of the Administrator (housing loan programs): Not to exceed \$525,625 shall be available for all administrative expenses, which shall be on an accrual basis, of carrying out the functions of the Office of the Administrator under the program of housing loans to educational institutions (title IV of the Housing Act of 1950, 12 U. S. C. 1749-1749d), the prefabricated housing program (sections 102, 102a, 102b, and 102c of the Housing Act of 1948, as amended, 12 U. S. C. 1701g-1701g-3), and the Alaska housing program (sections 3, 4, and 5 of the Alaska Housing Act, as amended, 48 U. S. C. 484, 484a, and 484b), but this amount shall be exclusive of costs of services performed on a contract or fee basis in connection with termination of contracts and legal services on a contract or fee basis and of payment for services and facilities of the Federal Reserve banks or any member thereof, the Federal home-loan banks, and any insured bank within the meaning of the Act creating the Federal Deposit Insurance Corporation (Act of August 23, 1935, as amended, 12 U. S. C. 264) which has been designated by the Secretary of the Treasury as a depository of public money of the United States: *Provided*, That not to exceed \$27,000 shall be available for expenses of travel.

64 Stat. 77.

62 Stat. 1275;

65 Stat. 312.

63 Stat. 58.

49 Stat. 168;

64 Stat. 873.

Home Loan Bank Board: Not to exceed a total of \$775,000 shall be available for administrative expenses of the Home Loan Bank Board, and shall be derived from funds available to the Home Loan Bank Board, including those in the Home Loan Bank Board revolving fund and receipts of the Federal Home Loan Bank Administration, the Federal Home Loan Bank Board, or the Home Loan Bank Board for the current fiscal year and prior fiscal years, and the Board may utilize and may make payment for services and facilities of the Federal home-loan banks, the Federal Reserve banks, the Federal Savings and Loan Insurance Corporation, and other agencies of the Government: *Provided*, That all necessary expenses in connection with the conservatorship of institutions insured by the Federal Savings and Loan Insurance Corporation and all necessary expenses (including services performed on a contract or fee basis, but not including other personal services) in connection with the handling, including the purchase, sale, and exchange, of securities on behalf of Federal home-loan banks, and the sale, issuance, and retirement of, or payment of interest on, debentures or bonds, under the Federal Home Loan Bank Act, as amended, shall be considered as nonadministrative expenses for the purposes hereof: *Provided further*, That not to exceed \$25,000 shall be available for expenses of travel: *Provided further*, That notwithstanding any other provisions of this Act, except the limitation in amount hereinbefore specified, the administrative expenses and other obligations of the Board shall be incurred, allowed, and paid in accordance with the provisions of the Federal Home Loan Bank Act of July 22, 1932, as amended (12 U. S. C. 1421-1449): *Provided further*, That the nonadministrative expenses for the examination of Federal and State chartered institutions shall not exceed \$2,085,000.

47 Stat. 725.

12 USC 1421.

Federal Savings and Loan Insurance Corporation: Not to exceed \$455,000 shall be available for administrative expenses, which shall be on an accrual basis and shall be exclusive of interest paid, depreciation, properly capitalized expenditures, expenses in connection with liquidation of insured institutions, liquidation or handling of assets of or derived from insured institutions, payment of insurance, and action for or toward the avoidance, termination, or minimizing of losses in the case of insured institutions, legal fees and expenses, and payments for administrative expenses of the Home Loan Bank Board determined by said Board to be properly allocable to said Corporation, and said Corporation may utilize and may make payment for services

All 67 Stat. 315.

and facilities of the Federal home-loan banks, the Federal Reserve banks, the Home Loan Bank Board, and other agencies of the Government: *Provided*, That not to exceed \$5,450 shall be available for expenses of travel: *Provided further*, That notwithstanding any other provisions of this Act, except for the limitation in amount hereinbefore specified, the administrative expenses and other obligations of said Corporation shall be incurred, allowed and paid in accordance with title IV of the Act of June 27, 1934, as amended (12 U. S. C. 1724-1730).

48 Stat. 1255.

Expenses, liquidation of Home Owners' Loan Corporation: Not to exceed \$10,000 of the unobligated balance remaining of funds made available under this head in the Independent Offices Appropriation Act, 1952, is hereby continued available until October 31, 1953.

65 Stat. 288.

Federal Housing Administration: In addition to the amounts available by or pursuant to law (which shall be transferred to this authorization) for the administrative expenses of the Federal Housing Administration in carrying out duties imposed by or pursuant to law, not to exceed \$5,322,800 of the various funds of the Federal Housing Administration shall be available for expenditure, in accordance with the National Housing Act, as amended (12 U. S. C. 1701): *Provided*

48 Stat. 1246.

That, except as herein otherwise provided, all expenses and obligations of said Administration shall be incurred, allowed, and paid in accordance with the provisions of said Act: *Provided further*, That not to exceed \$157,750 shall be available for expenses of travel: *Provided further*, That funds available for expenditure shall be available for contract actuarial services (not to exceed \$1,500); and purchase of periodicals and newspapers (not to exceed \$500): *Provided further*, That expenditures for nonadministrative expenses classified by section 2 of Public Law 387, approved October 25, 1949, shall not exceed \$26,500,000: *Provided further*, That the position of Assistant Commissioner, established pursuant to section 213 (f) of the National Housing Act, as amended, is no longer authorized.

63 Stat. 905.

12 USC 1702.

64 Stat. 56.

12 USC 1715e.

Public Housing Administration: Of the amounts available by or pursuant to law for the administrative expenses of the Public Housing Administration in carrying out duties imposed by or pursuant to law including funds appropriated by title I of this Act and funds appropriated under the head "Defense Housing" not to exceed \$10,975,000 shall be available for such expenses, including not to exceed \$800,000 for expenses of travel; and expenses of attendance at meetings of organizations concerned with the work of the Administration: *Provided*, That necessary expenses of providing representatives of the Administration at the sites of non-Federal projects in connection with the construction of such non-Federal projects by public housing agencies with the aid of the Administration, shall be compensated by such agencies by the payment of fixed fees which in the aggregate in relation to the development costs of such projects will cover the costs of rendering such services, and expenditures by the Administration for such purpose shall be considered nonadministrative expenses, and funds received from such payments may be used only for the payment of necessary expenses of providing representatives of the Administration at the sites of non-Federal projects: *Provided further*, That all expenses of the Public Housing Administration not specifically limited in this Act, in carrying out its duties imposed by or pursuant to law, shall not exceed \$35,962,600: *Provided further*, That not to exceed \$15,000 of funds made available by the Act of June 29, 1936 (49 Stat. 2035) shall be available for necessary expenses, including administrative expenses, of the Public Housing Administration in carrying out the provisions of the Act of May 19, 1949 (Public Law 65): *Provided further*, That during the fiscal year 1954 the Commissioner shall make

40 USC 431-434.

63 Stat. 68.

every effort to refund all local bonds held by the Public Housing Administration under the United States Housing Act of 1937, as amended. 50 Stat. 888.
42 USC 1430.

CORPORATIONS—GENERAL PROVISIONS

SEC. 202. No part of the funds of, or available for expenditure by, any corporation or agency included in this title shall be used to pay the compensation of any employee engaged in personnel work in excess of the number that would be provided by a ratio of one such employee to one hundred and thirty-five, or a part thereof, full-time, part-time, and intermittent employees of the agency concerned: *Provided*, That for purposes of this section employees shall be considered as engaged in personnel work if they spend half-time or more in personnel administration consisting of direction and administration of the personnel program; employment, placement, and separation; job evaluation and classification; employee relations and services; training; committees of expert examiners and boards of civil-service examiners; wage administration; and processing, recording, and reporting.

TITLE III—GENERAL PROVISIONS

SEC. 301. No part of any appropriation contained in this Act, or of the funds available for expenditure by any corporation included in this Act, shall be used to pay the salary or wages of any person who engages in a strike against the Government of the United States or who is a member of an organization of Government employees that asserts the right to strike against the Government of the United States, or who advocates, or is a member of an organization that advocates, the overthrow of the Government of the United States by force or violence: *Provided*, That for the purposes hereof an affidavit shall be considered prima facie evidence that the person making the affidavit has not contrary to the provisions of this section engaged in a strike against the Government of the United States, is not a member of an organization of Government employees that asserts the right to strike against the Government of the United States, or that such person does not advocate, and is not a member of an organization that advocates, the overthrow of the Government of the United States by force or violence: *Provided further*, That any person who engages in a strike against the Government of the United States or who is a member of an organization of Government employees that asserts the right to strike against the Government of the United States, or who advocates, or who is a member of an organization that advocates, the overthrow of the Government of the United States by force or violence and accepts employment the salary or wages for which are paid from any appropriation or fund contained in this Act shall be guilty of a felony and, upon conviction, shall be fined not more than \$1,000 or imprisoned for not more than one year, or both: *Provided further*, That the above penalty clause shall be in addition to, and not in substitution for, any other provisions of existing law.

SEC. 302. No part of any appropriation contained in this Act, or of the funds available for expenditure by any corporation or agency included in this Act, shall be used for publicity or propaganda purposes designed to support or defeat legislation pending before the Congress.

SEC. 303. (a) No part of the money appropriated by this Act to any department, agency, or corporation or made available for expenditure by any department, agency, or corporation which is in excess of 75 per centum of the amount required to pay the compensation of all

persons the budget estimates for personal services heretofore submitted to the Congress for the fiscal year 1954 contemplated would be employed by such department, agency, or corporation during such fiscal year in the performance of—

(1) functions performed by a person designated as an information specialist, information and editorial specialist, publications and information coordinator, press relations officer or counsel, photographer, radio expert, television expert, motion picture expert, or publicity expert, or designated by any similar title, or

(2) functions performed by persons who assist persons performing the functions described in (1) in drafting, preparing, editing, typing, duplicating, or disseminating public information publications or releases, radio or television scripts, magazine articles, photographs, motion pictures, and similar material, shall be available to pay the compensation of persons performing the functions described in (1) or (2).

Nonapplicability.

(b) This section shall not apply: To persons employed by the General Services Administration in the performance of functions or related assisting or supporting functions in connection with the publication of the Federal Register, or to persons engaged in functions of the Civil Service Commission related to (1) the preparation and issuance of materials relating to the recruitment of personnel for the Federal service, and (2) the compilation of the Official Register of the United States, or to any department, agency, or corporation which does not employ more than two persons at any one time in the performance of functions described in paragraphs (1) or (2) of subsection (a) of this section.

Short title.

SEC. 304. This Act may be cited as the "First Independent Office Appropriation Act, 1954".

Approved July 31, 1953.